THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

July 13, 1940

F.D.R.'s Idea of a Triple Monroe Doctrine

An Editorial

France Goes Totalitarian

China Keeps Her Faith

Marines Versus Gendarmes

What of Asia if Hitler Wins in Europe

Editorial Correspondence

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

WILL AMERICA PROTEST?

To the Editor:

There have been unconfirmed reports to the effect that America's trade in China would greatly be affected following the French concession made to Japan to blockade the Indo-China-Yunnan Railway, resulting in the stoppage of transportation of goods through that route by which China's tung oil and main products are being exported to America and the bulk of America's gasoline and war material are coming to China. It is further rumored that Britain would follow suit, apparently under the pressure of Japanese demand, to put a halt to passage of material through the Burma Highway. Should this materialize, then America's trade in China would be brought to a complete standtill.

Recently the spokesman of the American Consul expressed his full confidence that the United States would soon lodge a strong protest with the French Government in connection with the present development. Judging from America's determination of sanctioning the aggression and for the sake of her position in the Far East, it is not unlikely that America would take adequate measures for the defense of her vast interest in the Orient.

At the present moment, it is, however, necessary for America to clarify frankly her policy toward the Far East and her intention of maintaining commercial trade in China. It may be recalled that, while Britain compromised with Japan in settling the Tientsin issue, America immediately announced the abrogation of its trade treaty with Japan. Now would America take similar action?

P.H.A.W.

Shanghai,
July 5, 1940.

DIDN'T HAPPEN!

To the Editor:

Evidence of the authenticity (?) of **Domei** reports is contained in a little item published here in the **North-China Daily News** under a Hongkong dateline of June 18. I am enclosing the item, referring to a vast conflagration in Kunming, which, as you can see from the penciled notation simply "didn't occur," and apparently was manufactured from whole-cloth as the saying goes. I sent this item to a friend in Kunming, who stated that Nanchang Street, is a small one-way thoroughfare off Hukuolu and no one ever heard of any "terrific conflagation" there or elsewhere.

D.F.

Shanghai, July 8, 1940.

Editor's Note:—The news item attached to the above letter was a Domei message from Hongkong, dated June 18, alleging that a terrific conflagration, "which began the previous evening, was endangering the entire city of Kunming." As indicated in the letter, a resident of Shanghai, who has business interests in Kunming, sent the clipping to Kunming and found there was no truth in the Japanese report. An inspection of Japanese reports from Hongkong will disclose that the chief object of the Domei office in the British Colony is to circulate fake reports designed to discredit conditions and individuals residing in Chinese-controlled areas.

BOMBS NO EFFECT!

To the Editor:

During these days Japanese bombers in great numbers, ranging from 90 to 154 have bombed the temporary capital—Chungking—in an attempt to intimidate and cow the Chinese people and force their government to bend its knee in accordance with the dreams of the Japanese militarists. Their barbarism has been evidenced in their bombing of the shelters of the common people, refugee shelters at American churches, the Soviet, French and British embassies. Mr. C. Hull, American Secretary of State has blamed Japan for her barbarous destruction of churches and hospitals, but this can have no effect on a country that has gone mad. A militarized and aggressive nation such as Japan can only be influenced by the known threat of military punishment.

So far as results are concerned this bombing of Chungking can never affect the situation of the war in any respect. The more and heavier the Japanese bombs, the deeper the hatred of the Chinese people for the Japanese and all their works, and the stronger the will of the people to resist. So long as we have breath in our bodies, our resistance will continue nntil Japan has collapsed.

There are no words like "yield" or "submission" in our dictionaries.

MU WEN-FU

Chungking, June
18, 1940.

GROUPS & INDIVIDUALS

To the Editor:

There is a recognized difference between the action by groups and the real sentiment of the people. Yet it is surprising how tenaciously large numbers of rank and file leaders, do not see the propaganda character of much which they read. The crisis increasingly compels recognition of our fundamental interests in the Allied cause. One theological school president, whose students nearly all signed the United Peace Campaign Pledge Against War, says all but about three per cent would fight if actually called up. Even our pacifist congressmen are voting for the defense program. Still we haven't suc-

THE CHINA WEEKLY REVIEW

Cable Address "REVIEWING SHANGHAI"

J. B. POWELL, *Editor and Publisher*

C. FRANK GLASS and HOH CHIH-HSIANG, *Assistant Editors*

F. K. CHAO, *Business Manager* TRYPHON V. KU, *Advertising Manager*

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ceeded in securing the legal embargo again Japan.

Please change my paper back to China as I am returning shortly.

J.R.W.

Cleveland, Ohio,
May 30, 1940.

PRACTICE WANTED

To the Editor:

When reaching your office, this will have you surprise at the undersigned whom you have not known ever before, and come to search for the aim of its being sent out. Well, it is from me! It is for that I am a graduate at 24-year of age, fresh from the course at the University and am advised by the instructors that I should find a practice in a newspaper office so as to pursue further learning and experience, for a good newspaper office is the best school of all I am sufficiently convinced of the said account and now write to you asking for a chance to practice in your office.

If you should like to give me a trial, I would be glad to come quickly.

GRADUATE

Shanghai, July 7, 1940.

SAN ANTONIO

To the Editor:

Sometime ago I received a copy of **The China Weekly Review** containing a review of my book, "In Blood and Ink." I appreciate this very much indeed. I am now sending you a small pamphlet called "villita," which shows some of the things we are trying to do here in San Antonio.

Well, the world is in a terrible shape and all we can do is our best.

MAURY MAVERICK
Mayor

San Antonio,
May 22, 1940.

NATIONAL CITY BANK OF NEW YORK

Rates of Exchange, Shanghai, July 11, 1940

Demand selling rate on New York:
U.S.$1.00—Sh.$16.49

Demand buying rate on New York:
U.S.$1.00—Sh.$16.16

Demand selling rate on London:
£1.0.0—Sh.$61.44

Demand buying rate on London:
£1.0.0—Sh.$59.53

AMERICAN STOCK AND COMMODITY QUOTATIONS

July 10, 1940

STOCKS

Amer. Locomotive	12¼
Amer. Waterworks	9¼
Anaconda Copper	19¼
Bethlehem Steel	75
Chrysler	64
Elec. Bond & Sh.	6½
Gen. Motors	43⅜
Goodyear T. & R.	14½
Gt. Nthrn. Rly., pfd.	22¾
Lockheed Aircraft	24⅜
Mont. Ward	38¾
N. Y. Central	11¾
Texas Corp	38½
U. S. Steel	51¼

COMMODITIES

New York Cotton, July	9.78/74
New York Rubber, Sept.	19.01/01
New York Hides, Sept.	10.16/17
Chicago Wheat, Sept.	75⅜/75½
Chicago Corn, Sept.	59¼/59⅜
New York Sugar, No. 4, Sept.	1.01B/01½A

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PRESIDENT ROOSEVELT'S IDEA OF A TRIPLE MONROE DOCTRINE

WASHINGTON DECLARES ROOSEVELT STATEMENT MISINTERPRETED

High Government officials in Washington, according to United Press, declared on July 9 their belief that President Roosevelt's Monroe Doctrine statement had been misinterpreted abroad. They said some foreign nations apparently had failed to distinguish between the real Monroe Doctrine of the United States and other "Monroe Doctrines" recently announced by other nations—meaning, obviously, Japan and Germany.

The real Monroe Doctrine, it was pointed out, does not condone conquest of territory. Recognition of a real Monroe Doctrine for Europe and Asia therefore does not mean that the United States recognizes the dominant position of any power in those areas or the right of any power in those areas to seize territory by force. The President's reference to French Indo-China, in which he said the nations of Asia should settle the fate of the French colony, did not mean that any Asiatic power could settle the fate of that territory by force on a unilateral basis.

Mr. Cordell Hull, commenting on reports that China was greatly disturbed by the President's statement, stressed the difference between the real Monroe Doctrine, which permits all nations of a specific area to participate in changes in that area, and other "Monroe Doctrines" which serve merely as a pretext for military occupation.

A statement regarding the foreign policy of the United States which may mean very little or a great deal, depending upon future developments in Europe and Asia, was made by President Roosevelt last Saturday through the White House secretary, Mr. Stephen Early. Propounding the principle of "America for the Americans, Europe for the Europeans and Asia for the Asiatics"—in other words a triple Monroe Doctrine—the President's statement read:

"There is an absence (on the part United States) of any intention whatever to interfere in any territorial problems of Europe or Asia. What the Government would like to see and thinks should be applied would be a 'Monroe Doctrine' in effect for each continent and each part of the world. The United States is not out to gain any new territorial possession and contemplates no territorial expansion. But it is felt that if a victorious Germany should lay claim to the territories of conquered nations in this Hemisphere, we would hold that it comes within the province of the Monroe Doctrine.

"It comes within the Doctrine's province this way—the United States does not take over any island possessions of conquered nations but believes and holds the position that the disposition of these territories and their administration should be decided among and by all American nations.

"In the case of Indo-China, the Government believes the policy should be for Asiatic countries to sit down and consider what is proposed for that country. The same rule applies to Europe."

The President's statement concluded by suggesting that the Pan-American Conference, which is to open in Havana on July 20, should discuss the question of ultimate disposition of the territories in the Western Hemisphere which are the possessions of conquered European countries. The agenda of the conference has been arranged under three general headings—neutrality, preservation of peace in the Western Hemisphere, and economic cooperation.

In many quarters there is a disposition to discount the importance of President Roosevelt's statement on the ground that it was intended for electioneering purposes. Strength was lent to this view by a subsequent announcement by Secretary of State Cordell Hull, who declared that the President's statement should not be construed as an enunciation of new policies or even as a modification of the existing policies of the United States Government. That it will tend to take the wind out of the sails of the Isolationists—both in the Republican and Democratic camps—is obvious, for the President has enunciated a broad policy of territorial non-interference as regards other continents which has become the cornerstone of Isolationist policy. If the President decides to run for a third term, his opponents will have a difficult time persuading the electorate—now that this statement has been issued—that the present White House occupant is desirous of meddling in the affairs of nations beyond the seas.

Nazi Juggernaut

Chicago Daily News

Both in China and Japan, however, much more than an electioneering significance has been attached to the President's statement. While at this writing there has been no official comment from Chunkging, political circles there, according to *Reuter*, learned of the statement with "profound disappointment," their first impression being that it heralded an "about turn" in American policy and abandonment by the United States of its role as leader and champion of the cause of international justice and peace. Chinese circles in Chungking, said the British agency, were particularly disappointed with the President's statement since General Chiang Kai-shek, on the occasion of the third anniver-

sary of the outbreak of Sino-Japanese hostilities, had just appealed to the United States to adopt a more aggressive policy against Japan and extend more assistance to China.

In Japan, the statement caused surprise—but there was no evidence of disappointment, since the President's endorsement of the idea of a Monroe Doctrine for Asia followed hard on the heels of a statement by the Japanese Foreign Minister, Mr. Hachiro Arita, in which a virtual Monroe Doctrine for East Asia had been proclaimed. The President's statement appeared to be on all fours with Japanese policy and to give Japan a more or less free hand as regards both China and French Indo-China. A spokesman of the Japanese Foreign Office, *Domei* reported July 8, declared that President Roosevelt had made "a very important pronouncement" but refrained from further comment until receipt of the full text.

Those who took the view that the President's statement was intended for electioneering purposes based their view on the fact that it was released, not through the State Department, but by the White House secretary. It should be remembered, however, that the President has on more than one occasion laid down the broad lines of his foreign policy without resort to State Department channels. His famous "Quarantine the Aggressor" speech, delivered in Chicago in the fall of 1937, set the pattern for a foreign policy which two years later placed the United States on the side of the Allies against Germany. It may well be that this triple Monroe Doctrine announcement will have similar far-reaching results.

Assuming the President's statement was intended as a broad outline of future American policy, several inferences may be drawn from it. In the first place, in the event Germany wins the war by defeating Britain, it foreshadows at least de facto recognition by the United States of German hegemony in Europe. And if Japan should somehow emerge victorious in her war with China, there would similarly be recognition of Japanese hegemony in East Asia. No one can believe that the conquering powers will sit down with the conquered to "consider what is proposed" for the defeated countries and their territories. The conquerors will give their orders, the conquered will have to obey, and America will have to recognize the dominance of the conquerors —unless and until she chooses to fight them.

This does not mean, however, that the conquerors will reap the full benefits of their conquests where these are beyond their physical reach. President Roosevelt's statement made it clear that possessions of conquered nations in the Western Hemisphere are the concern of the Americas and it is not unlikely that the Pan-American Union, at the instance of the United States, will assume a mandate over such territories rather than allow them to be taken over by a victorious Germany.

Germany was apprised of American intentions in this regard in a note delivered in Berlin on June 18. The note declared that the United States Government would not recognize any transfer of a geographical region of the Western Hemisphere from one non-American power to another non-American power, and that it would not acquiesce in any attempt to undertake such transfer. President Roosevelt underlined this position in his statement of last Saturday.

The German reply to the American note was delivered in Washington on July 1. It stated that Germany was "unable to perceive for what reason the Government of the United States of America has addressed this communication to the Reich Government." Continuing, the reply pointed out that Germany, in contrast to England and France, has no territorial possessions on the American continent and has given no occasion whatever for the assumption that it intends to acquire such possessions, adding that "the interpretation of the Monroe Doctrine implied in the communication of the Government of the United States would amount to conferring upon some European countries the right to possess territories in the Western Hemisphere and not upon other European countries."

Such an interpretation, the German reply asserted, was "untenable." It concluded by pointing out that "non-intervention in the affairs of the American continent by European nations which is demanded by the Monroe Doctrine can in principle be legally valid only on condition that the American nations, for their part, do not interfere in the affairs of the European continent."

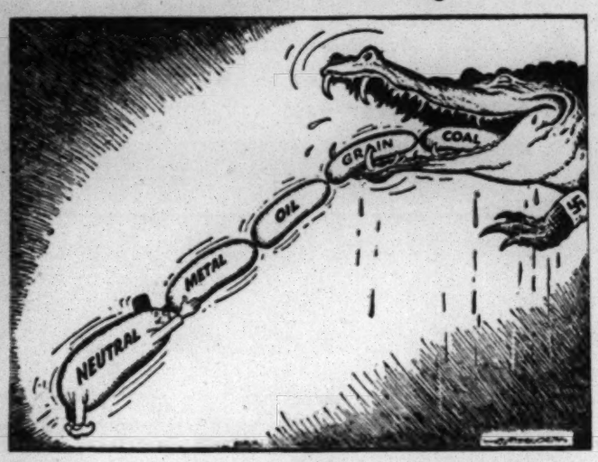
President Roosevelt's statement might be regarded as an answer to the German point of view. It will be noted, however, that the President did not promise non-interference in European affairs, which would have meant abandonment of the policy of aiding Britain against Germany. It merely denied any intention to interfere in the *territorial problems* of Europe.

Will the Sturdy Oak Withstand the Blast?

New York Times

As regards the Far East, Japan may be permitted to take over the French colony of Indo-China. Indeed, President Roosevelt's statement clearly takes account of such an eventuality. It is to be doubted, however, whether a similar complacency would be evinced if

At the End of the Sausage



Manchester Daily Dispatch

Japan attempted to take over the Netherlands East Indies, where vital American interests are involved. The general view at the present time is that Japan is holding her hand, pending the outcome of the anticipated Nazi *blitzkrieg* against England. If England were to fall under the heel of the Nazis, a Japanese grab of French Indo-China would be highly probable. A similar fate would be in store for Hongkong.

In the face of such happenings, would the United States hold to a "hands-off" policy in accordance with the President's triple Monroe Doctrine idea, or would a showdown at arms be sought with Japan—not necessarily to preserve Hongkong and Indo-China from Japanese seizure, but to forestall later Japanese attempts to grab the Netherlands East Indies and the Philippines? American foreign policy, as President Roosevelt has more than once declared, is flexible. It must be adapted to constantly changing situations. Therefore no advance answers are possible to the foregoing questions. But events are moving rapidly and should furnish the answers very soon.

"Nemesis Must Come"

London Daily Sketch

Will the Marine Action Stop Local "Appeasement?"

LOCAL newspapers have printed many columns about the incident of last Sunday involving the arrest of armed Japanese gendarmes by U. S. Marines, but none has mentioned the important effect which the Marine action may have in putting a stop to the policy of appeasement which the officials of the International Settlement have been following.

A full account of the laudable action of the Marines in arresting armed Japanese gendarmes, who illegally entered the American sector, appears elsewhere in this issue of *The Review*. The Japanese claimed that the gendarmes had entered the Marines' sector as bodyguards on the staff of Gen. Toshizo Nishio, Commander-in-Chief of the Japanese forces in China, "who was making an inspection of the International Settlement." The Japanese report stated further that Gen. Nishio, in the course of his inspection, was attending a cocktail party at the Park Hotel, and had sent word for W. J. Keswick, Chairman of the Council, to meet him there, presumably for a conference. This occurred on Sunday morning, July 7, third anniversary of the Japanese invasion of these shores.

One wonders what was discussed at the conference between Gen. Nishio and Mr. Keswick, entirely overshadowed by the Marine-gendarme incident? One also wonders whether it has occurred to the Chairman of the Council that the public will inevitably associate the Marine action with the policy of appeasement which the Chairman has been following since he assumed office only a few weeks ago?

The entire population of the city—excepting the Japanese—lauded the U. S. Marines for their courage in standing up for their rights and the just rights of the decent foreign and Chinese residents of the Settlement. But the serious minded residents of the Settlement, foreign as well as Chinese, do not approve of policies which Mr. Keswick and his fellow members of the Council have been following.

The large vote which was accorded the present Council, aside from the Japanese issue, constituted an expression of hope that the present Council would show an improvement in its dealing with the Japanese as compared with the actions and secret deals of the preceding Council, which disgusted everybody.

But this hope already has largely been dissipated by some recent actions of the Council. We have in mind, particularly, the handing over to the Japanese of the records of the Chinese land office which were brought into the Settlement at the beginning of the hostilities three years ago.

Does Mr. Keswick know that the Japanese are already planning another campaign to "capture" the International Settlement at the municipal election next year by proposing eight candidates and that they plan to cut the British and American representation down to one for each nationality? One also wonders whether Mr. Keswick is aware of the fact that possession of the land records will give the Japanese an important advantage as it will enable them to check up on the ownership of all land in the Settlement?

Being a businessman, Mr. Keswick should realize the vital importance of land records. It would not have been so serious if the records had been turned over to a responsible Chinese administration, but the real recipient of the records was the Japanese and they will be available for any use to which the Japanese may wish to put them, including the activities of the Japanese real estate company, which has been granted a monopoly by the Wang Ching-wei regime in Nanking.

The action of the Chairman of the Council in handing over the land records was opposed by all Chinese bodies in the Settlement and by foreign individuals and organizations and at least one foreign consular official. And yet Mr. Keswick handed the records over in order to "appease" the Japanese.

There may be some excuse for the present actions of the officials of the local French Concession who are engaged in secret deals with the Japanese leading to the inevitable surrender of their concession, but there can be no excuse for the officials of the Settlement following such a course.

Neither the British nor American governments have accorded recognition to the local puppet regimes and the British Government is standing honorably by its recognition and support of the Chinese National Government, even to the extent of preparing for war by evacuating the colony of Hongkong. But despite this, certain citizens of both the British and American Governments here think it is necessary or advisable or desirable to go about with fountain pens in their hands in order to sign things presented by the Japanese.

Let us hope that the courageous action of the U. S. Marines in stopping the Japanese last Sunday will be taken to heart by the authorities of the Settlement. Also let us hope that the authorities of the Settlement will take heed of the fact that citizenship carries responsibilities and that policies of the British and American Governments should be observed here and not belittled and undermined by the unofficial representatives of these powers who hold positions of responsibility in the International Settlement.

What Would Happen in the Orient if Hitler Won the European War?

(*Editorial Correspondence*)

POLITICIANS, economists, journalists and commentators have wracked their brains trying to predict the post-war situation in Europe and other parts of the world. Innumerable prophesies, vague or otherwise, have been put forth, most of them starting out with the assumption that the European War either would not produce decisive results, or would end with a defeat of Hitler.

What the ultimate outcome of the war will be is still in the lap of the gods, but as the situation stands today—this w e e k—Germany has the upper hand and if the w a r terminated now, the statesmen of the world, whether they liked it or not, would have to reckon with this fact. This brings us face to face with the question, "What would be likely to happen, should Hitler emerge victorious? And particularly, what effect would a Hitler victory have on the Far East?

Everything obviously depends on the extent of a Hitlerian victory. Should the Germans manage to crush Great Britain completely, they will face a world in which only three other major powers will be present, the United States, Russia, and J a p a n. Italy, aligned with a victorious Germany, will have to play the part of a very obedient vassal to Berlin. She will always be threatened with a sudden southward move of the German steam-roller should she dare to resume an independent policy. Of the three powers, Russia would be the most vulnerable to Nazi attack. She now has a long continuous frontier from the Baltic to the Black

Nazi Food Lines Extend to Far East

The April number of the German magazine *Signal*, special supplement of the *Berliner Illustrirte Zeitung*, recently distributed in Shanghai, contained the above map showing Germany's food supply lines, despite the Allied blockade. Of special interest are the lines extending across Russia to the Far East, one extending to Afghanistan and the Indian frontier and the other to Manchuria and Japan and thence to the United States and South America. The inscription under the map claimed that the economic areas which constitute the basis of German war production "are about forty-five million square kilometers in extent and amount, therefore, to about a third of the continents of the world." Aside from the Scandinavian and Baltic countries, the Germans listed as sources of supplies the U.S.S.R., Turkey, Afghanistan, Irak, Japan, Manchuria and China. The statement read, "From these sources Germany obtains all her vital economic necessities."

Sea in common with Nazi or Nazi-dominated territory, and with the German military machine strongest on land and in the air Russia is at a distinct strategic disadvantage as compared with both the United States and Japan. The German war machine continues to be weak on the seas across which alone it could move against either of these latter two. Though in Denmark and Norway the Germans proved efficient and successful in near-sea operations, German warfare on the oceans against the big navies of the world would be quite another thing. Yet Germany may justly be suspected of harboring the most far-reaching designs.

To take into account an eventual German conflict with Japan may seem to many, in the present situation, quite beside the point. But there should no longer be any illusions about Adolf Hitler. For the past twenty years, Hitler has risen continuously with the stasks he tackled, and with the suc cesses he achieved. There is not the lightest indication that the Fuehrer's-driving power is begining to be exhausted, or that his ambitions are approaching the point of satisfaction. On the contrary, Hitlerism is a force which will not shrink from anything which appears feasible, and its advance will stop only when it is confronted with other forces strong enough to check it. Today, Hitler's aspirations far transcend the limits which he seemed to have set only a year ago, and should he vanquish Great Britain he is certain to pursue world aspirations which will rival the dreams of a Napoleon.

The problem is not simply how to negotiate and conclude some peace or other with Germany. Hitler has excelled in treaty-breaking. Whenever he deems it convenient to do so, he certainly will sign any treaty, and whenever he thinks it advantageous to tear up a treaty he certainly will not be bothered by the mere pen-stroke of his own signature. This has been proved by past experience, and there is no use in wishfully thinking that he might change in future. If he wins the present war, prospects are small that this will be his last war. On the contrary, he will try "peacefully" to cash in after the Austrian, Czechoslovakian and Memel patterns. And just as in the case of Poland he will not hesitate to go to war again if continuous expansion of his "Lebensraum" were barred somewhere.

The defeat of France terminated the continental stage of Hitler's big fight. There may be some adjustments in the Balkans, and possibly later some "New Deal" with Russia. Now Hitler enters upon the maritime stage of his great war, and there should be no illusion that he plans to crush Great Britain merely to make sure of his continental booty in Europe. This booty he might conceivably be able to secure today by treaty with London. But he is resolved to fight and defeat Great Britain in order to expand his realm beyond the seas. If asked about it now, Hitler would of course deny everything, just as in the past he denied all expansionist intentions. He probably would say that he merely wants back the former German colonies plus some minor adjustments. But he would consider the return of those colonies only as the first step towards the construction of a real colonial empire. No one who has knowledge of the German Nazis will imagine that the end of this war, if Berlin and Rome are victorious, will see Italy get away with bigger and better colonies than Germany.

German Nazism's colonial ideas center upon the southern hemisphere of our globe. They are concentrated upon Central Africa in the first place. The return to Germany of the Cameroons, Tanganyika and South-West Africa would hardly satisfy Berlin even today. With Belgium and France in the hands of Germany, it is easy to see that the surrender to Germany of the Belgian Congo, as well as of patches of French Equatorial Africa, is within the bounds of possibility. This would link the former German colonies together and cement a powerful German Africa, from the Atlantic to the Indian Ocean, and give Germany command of all Africa south of the Sahara Desert. It might enable Germany to exercise, together with Italy and Franco's Spain, still greater influence upon Latin America. And via South America, and from Africa across the Indian Ocean, Germany may reach out again into the Pacific and thus span the whole world. These may today be the daydreams of a still limited group of German colonial expansionists, but to-morrow they may be the official German program, and the day after tomorrow may witness definite attempts at their realization.

What will come of all this will depend decisively

"Getting to Grips"

New York Times Magazine

upon the extent of German victory in the present war—that is, if Germany wins at all. The more decisive Hitler's victory, the more far-reaching will be his demands. Should he be unable to crush Great Britain, he will confine himself to the domination of continental Europe. Should he strangle the British lion, he will reach out to the ends of the world. To hope that he will set certain limits to himself, i.e., that he might eventually refrain from taking something he could take, is childish. He will take whatever he can. Today he does not concentrate upon any final solutions, but upon huge preparations to fight Great Britain to what he hopes will be the finish of the British Empire. He subordinates everything else to this one immediate aim. His Far Eastern policy is likewise not an established, fixed policy but just another of his many steps calculated, for the time being, to help him win against Britain.

At the present time, Germany for obvious reasons encourages Japan to exercise pressure, if not to make actual war, upon the British. The Germans never really sympathized with Japan's China policy, because it did not play into the hands of German foreign policy. Four years ago, Berlin tried to promote some sort of a Sino-Japanese bloc directed simultaneously against Russia, Great Britain and France, all three of whom then seemed in the same camp against Hitlerism. Later Germany did not like the Japanese war upon China, and did not share British hopes for a mutual exhaustion of both countries, because, by paralyzing each other, both Japan and China made themselves incapable of serving as tools of German foreign policy. It was for this reason that Germany has repeatedly endeavored, during the past three years, to induce Japan to restrict her aspirations in China, and to bring about some lasting arrangement between Chungking and Tokyo. Unsuccessful in these efforts, she now tries to induce Japan to some aggressive southward move before the termination of the war in China.

Berlin, of course, is not elated at seeing Japan interfering with French sovereignty in Indo-China. Such Japanese activity, in German eyes, is not much different from grave-robbing. Germany defeated France without any Japanese help, and the present Nipponese attempt to share in the French spoils, which Germany alone made available, is frowned upon by the managers of the German war machine. To accept Japan as a share-cropper where she has not sown is by no means Germany's desire. Germany remains interested in building up Japan as an acutal threat, if not a belligerent enemy, to Great Britain (who now is Germany's only open opponent) as well as a potential threat to Russia, with whom Germany will have to hold sooner or later a day of general reckoning.

What will happen in the Far East should Hitler win the war, will in German eyes largely depend on what Japan will do before Germany and Britain have fought it out. Germany asks Japan to share the risks in order to share the expected British Empire spoils, but Berlin certainly will be reluctant to offer Japan a share in the spoils if Japan refuses a share in the risks. German diplomacy at Tokyo fights the Yonai Cabinet and all those Japanese circles who advocate a continuous wait-and-see policy based upon the calculation that it never will be too late for Japan either to join a victorious Germany, or to leave a defeated Germany in the cold. Germany is by no means certain that she will be able to defeat Britain alone, and she recommends the urgent formation of a Japanese fighting cabinet, by Shiratori or another extremist, and an immediate assault on British possessions in the East. As a reward, she holds out to Japan the promise of rich colonial booty in south-east Asia, possibly with some reservations as regards Java and Sumatra, where Germany herself would hope to gain some foothold either directly or through some condominium with the Netherlands. Should Japan stall and continue to wait for Hitler to defeat the British, however, a victorious Germany may well be expected to turn a deaf ear to Japanese expansionist desires and to arrange peace in a way that would enable Britain, the Netherlands and France to effectively defend those of their overseas possessions that Germany would not claim.

In these circumstances, it is impossible to predict what will hapen out here if Hitler wins his war. The writer has merely tried to throw light upon some aspects of an eventual German victory. The Germans themselves have not yet made up their minds. When they have done so, it will depend upon the extent and the circumstances of their victory whether their program can materialize. But Germany has not yet won, and while she has a fair chance of winning she still has an equally fair chance of losing, and of losing together with the final battles of the war everything she has won already. This is realized by many influential men at Tokyo, and this is what makes Japan so reluctant openly thrown in her lot with Germany and share, together with the prospects of victory, the risks of defeat which Germany has not yet eliminated.

Shanghai, July 6, 1940

Deciding on the Big Putsch

Strube in New York Times

Japanese Refuse Aid to Fake Russian Emigre Body

An official of the City Government of Greater Shanghai confirmed on July 8 a report that Japanese authorities in Shanghai had failed to support a new Russian Emigrant's Committee composed of doubtful characters in the local community. Many Russians were reported in mortal fear of the proposed body which it was felt would bring ogpu methods to Shanghai and would impose the same impossible living conditions on the city's 25,000 White Russian inhabitants as those which have driven many from north China cities ruled by similar mafia groups. Shanghai which White Russians hold out as the last city in China where they can enjoy any any freedom of thought and action, is the home of an efficient committee headed by Mr. Charles Metzler.

New Republican Candidate Opposes Dictators, Favors Support of Allies

WHILE the world is puzzling over the meaning and implications of President Franklin D. Roosevelt's latest declaration pertaining to the extension of the principles of the Monroe Doctrine to other continents and nations, it is of interest and value for one to also give regard to the policies of the recently nominated Republican candidate—Wendell L. Willkie.

This suggestion is made because the direction of American policy may be transferred to other hands than those of Mr. Roosevelt as a result of the forthcoming national election scheduled for early November—only five months in the future.

Prior to the nomination of Mr. Willkie as candidate for President on the Republican ticket, the public in America knew little of him and his views, except in a restricted field of domestic economy. Nothing was known of his views on America's foreign relations and it is doubtful whether he ever had given the subject special thought. Fortunately for peoples of other countries who are as deeply concerned with the foreign policies of the United States, as are the Americans, the latest issue of the well known magazine—*Saturday Evening Post*—contains two articles which provide considerable information regarding Candidate Willkie and his views. One article was written by Gen. Hugh S. Johnson, publicist and lecturer, who has been boosting Mr. Willkie's candidacy for many weeks. The other article was written by Candidate Willkie himself, hence can be regarded as an authoritative expression of his views.

Referring to America's foreign policies, Mr. Willkie said that "foreign policy, as the people themselves would write it, is simple and clear . . . It becomes muddy and obscure when the politicians get hold of it . ." The most important factor in American foreign policy is domestic policy . . because "a nation strong at home is a nation respected abroad," he declared, and followed this up with the truism that advocates of complete isolation as well as those favoring strong armament for national defense, must admit that they want the country strong enough to get along by itself in a hostile world. In order to accomplish this objective, the first objective, declared Mr. Willkie, "is to develop our own industries, so that they are in a position to manufacture the necessary weapons."

Amplifying this statement, the Republican candidate said that this was fundamental for those who believed that America should provide the Allies with all kinds of materials and supplies," with every assistance—short of war—with which to fight off systems of government hostile to our own." He stated, however, that it was useless to appropriate large sums of money for America's defense, or to talk of producing armament for others, "if America's factories, as at present restricted, are inadequate to meet the demands." Finally, for those who would take a firm moral position, expressing emphatic disapproval of the policies of aggressor nations, or favor embargoes on war materials to aggressors, "then obviously, we must ourselves be strong if our words are to have any effect . . statements of a weak and disorganized nation cannot be expected to influence its neighbors."

Mr. Wendell L. Willkie, Republican Candidate for President of the United States.—*Saturday Evening Post photo.*

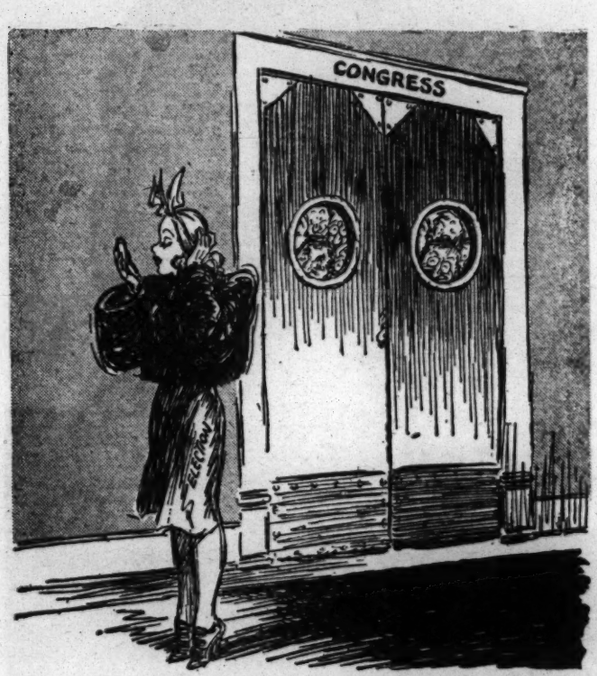
Referring more specifically to the world situation, Mr. Willkie said," We do not intend to send men to fight in Europe . . neither do we pretend that the outcome of the war makes no difference to us . . as Senator Burton K. Wheeler stated, 'ninety-eight percent of the American people want to keep us out of the war . . Ninety-five per cent are in sympathy with the Allies . . The British and the French believe in the free-enterprise system under democracy . . that is what we believe . .The German and Russian dictatorships believe in complete political domination of the people, with a suppression of individual liberties . . That is opposed to our belief . . When there is a conflict between these two theories, we shall always hope and pray that that the principles of democracy and individual liberty will win . . That has been our historic position, and it has nothing to do with the question of entering a war."

In concluding his reference to foreign policy, Mr. Willkie, without mentioning the reciprocal trade treaties

which have been negotiated by Secretary of State Cordell Hull, expressed full approval of this method of bargaining with other nations. He expressed the hope that the country might be able to recover a substantial portion of its foreign trade which amounted to US$5,240,000,000 in 1929.. He said, "Trade treaties are a step in that direction.. This is the kind of platform that we, the people should demand— a platform designed to promote both our domestic business and our foreign trade.. We cannot postpone this program much longer.."

These paragraphs, summarized from Mr. Willkie's utterances on American foreign policy, give an indication of his views—written probably early in May, prior to the worsening of the European war situation. Earlier in his article, in referring to the forthcoming campaign,

Chief Attraction.



Jensen in Chicago Daily News

Mr. Willkie declared his expectation that this presidential campaign would.. "decide whether America will adopt the theory of a Government-controlled economy or whether we will re-establish the system of free private enterprises competing with one another." Referring to the strain occasioned by the war he said,

"The United States cannot afford to delay its recovery any longer. The world is at war. If we are to resist the effects of that war, we must be strong. Never was the hard-headed American attitude more necessary than now.."

He said that the economic depression through which the country had passed had revealed startling abuses in the financial and industrial life of the country. These abuses had to be corrected, and.. "We have met the problem thoroughly.. We have established Federal control over banking operations. We have drastic Federal regulation of those interstate industries that particularly affect the public interest—such as the utilities, aviation and communications.. Manipulations of the stock market have been prevented and the investor is protected against misrepresentation in the issue of new securities. We have a Federal law governing wages and hours of work. We have an impressive system of social security providing for old age insurance and to some extent for unemployment insurance.

Mr. Willkie than declared that the great issue of the coming political campaign involved economic recovery, which, in the opinion of many persons, was of more importance than reform. Referring specificially to outstanding abuses he called attention to the country's public debt which had increased since 1923 from US $23,000,000,000 to approximately US$43,000,000,000 (since increased to US$49,000,000,000). Instead of decreasing expenditures the Government had increased them. In the period since 1923 the Government had expended US$60,000,000,000. The Government had not reduced its deficit, although Federal taxes had been greatly increased—to approximately US$6,000,000,000 for 1940. State, county and municipal taxes amounted to US$ 8,000,000,000, making a total of US$14,000,000,000, which is 22 per cent of the nation's estimated national income. Taxes take one-fifth of the average income and for a family of four the annual tax bill amounts to US$420. He pointed out that the present year's deficit probably would reach US$4,000,000,000.

Expressing his views on these problems and their solution, he declared, "The greatest need facing the United States is to re-create conditions in which the spirit of free economic enterprise can flourish. We must recapture the dynamic quality that used to be the country's outstanding characteristic—the quality which makes men with ideas eager to start new enterprises and men with money eager to finance them, all to the end that there shall be more jobs and more goods for more people."

In his article referring to Candidate Willkie's accomplishments in the industrial field, Gen. Johnson said that he (Mr. Willkie) as head of one of the country's largest electrical producing and distributing concerns, "had reduced consumer costs of electric current per kilowatt-hour by 41 percent and had increased consumption by 83 percent."

"Satan's Holiday"

New York World-Telegram

France Goes Totalitarian as Hitler Harnesses Country To His War Chariot; Parliamentary System Ends

WAR COSTING GREAT BRITAIN £7,500,000 A DAY

Supplementary war appropriations totalling £1,000,000,000 were voted by the British House of Commons on July 9 at the request of Sir Kingsley Wood, Chancellor of the Exchequer, who informed the House that Britain was now spending an average of £7,500,000 daily for war purposes. Of this latter sum, he said, the Army, Navy and Air Force absorbed £6,500,000, the remaining £1,000,000 being accounted for by other war needs.

WHILE four million Englishmen under arms were this week awaiting the Nazi *blitzkrieg* which will write the major chapter of World War II, and while in some quarters there was speculation as to whether the anticipated Battle of England might not be

Which Will Be Turned Back?

Cartoon by Herblock in the Lynchburg, Virginia, News depicts a Nazi plane flying over the Houses of Parliament in London with the famous "Big Ben" clock in the background.

called off as the result of a last-minute peace between Britain and the Nazis, French politicians under Marshal Petain's leadership prepared a new constitution for France which is designed to pattern the country's administration after the Italian and German models. Totalitarianism cast a long shadow over the defeated land.

The Chamber of Deputies met at Vichy—new seat of the Petain Government—and by 385 votes to 3 gave Marshal Petain dictatorial powers. On July 10 both the Chamber and the Senate met as a National Assembly and voted themselves out of existence after adopting a constitution drafted by former premier Pierre Laval, who is expected to be the real power in the reorganized French Government, with Marshal Petain occupying the decorative position of a *chef du powoir executif*. What will happen to President Albert Lebrun is not known.

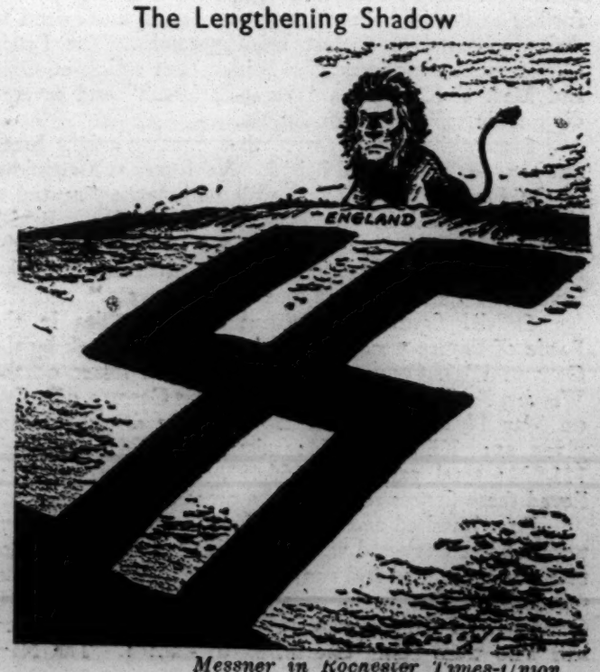
According to all reports on the subject, the new constitution scraps the old parliamentary system. The Chamber of Deputies will cease to be an elective body. Its members will be selected by social groups and will constitute an equivalent of the Italian Chamber of Corporations. The new Upper House, replacing the elected Senate, will consist of government appointees. Both Houses of the new "parliament" will be merely advisory organs of the dictatorial government. Trade Unions will be abolished, as will the political party system, and the entire population will be laced into the straitjacket of authoritarian rule.

That the new political system in France has been dictated by the German Nazis is all too apparent. But it must not be forgotten that the French ruling class and its political representatives are imposing this system, with Nazi aid, as a means of effecting their own social salvation. The most reactionary circles of French business and finance capital have for long wanted the destruction of democracy and parliamentary government. For years they have longed to be free of such bothersome things as trade unions, strikes and squabbling political parties. The German conquest of their country has given them the opportunity to establish their unchallenged rule. The reactionary French ruling class have long felt a community of ideas with foreign authoritarianism which they never felt for the democratically-minded common people of their own country. Today they know that they can rule over ruined France only by fascist means, for the misery wrought by the war has sown seeds of social revolution which would quickly ripen if democracy and democratic institutions were permitted to survive.

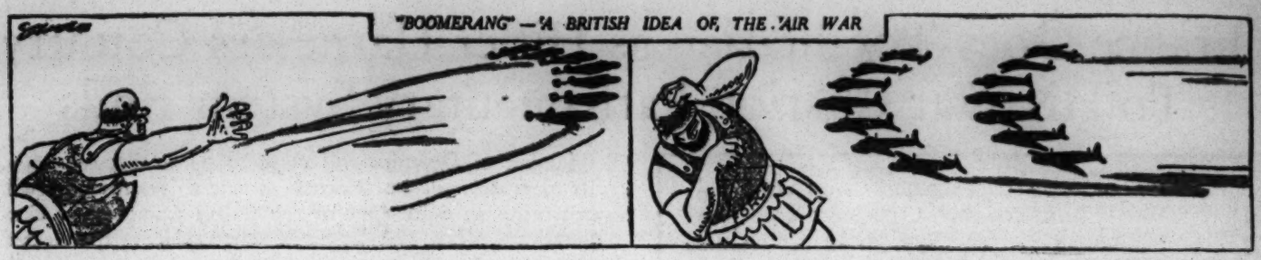
Using the new regime, the Nazis plan to make France a hewer of wood and drawer of water for Hitler's Third Reich. The country is to become predominantly a "nation of peasants." Emphasis is to be shifted from industrial development to agricultural economy. In other words, France is to supply Germany with foodstuffs and raw materials and become a market for the products of German industry. This is the classic economy of a colony.

The extent to which the plans of the French fascists at Vichy will reach fruition remains, however, an open

The Lengthening Shadow



Messner in Rochester Times-Union



Strube Cartoon, N. Y. Times

question. The war is not over yet and a change in Hitler's military fortunes is not by any means excluded. Meanwhile, the Fuehrer intends to make use of France to the utmost limit as an auxiliary in his coming *blitzkrieg* against England. Intensive Nazi air raids over England appear to herald an imminent attempt at the invasion of England—the greatest gamble of Hitler's career thus far. Chancellor Hitler and Count Ciano, Italian Foreign Minister, conferred in Berlin last Sunday. Details of the conversations have not been disclosed, but it is assumed they dealt with Italian claims against France and details of Italo-German cooperation in the anticipated *blitzkrieg* against England.

A British battle fleet went into action last week against units of the French navy at Oran and Mers el Kebir, French Algeria, after they had refused British demands either to join the British navy for continued action against Germany and Italy, sail with reduced crews to a British port, proceed to the French West Indies (there to remain for the duration of the war) or scuttle. The naval action lasted two days and resulted in the destruction of most of the French vessels, the remainder, including the battleship Strassbourg, managing to escape to Toulon. More than 1,000 French sailors were killed or wounded. While the action was proceeding, French warships which had earlier proceeded to English ports were taken over by the British, and a little later the French fleet at Alexandria agreed to immobilization in that port.

Britain's action against the French warships at Morocco was taken to prevent their falling into the hands of Germany, since the British Government placed no store by the promise made in the Franco-German armistice agreement that the French fleet would not be used in the war against Britain. Germany countered by suspending that provision of the armistice agreement which prohibited French warships from taking part in further hostilities. French warships were authorized to defend themselves against British attacks. The Petain Government denounced the British fleet action at Oran and Mers el Kebir as a "cowardly attack" and severed diplomatic relations with Britain.

Meanwhile it was feared that fighting might break out between French and British naval forces at Martinique in the French West Indies, well within the "neutrality belt" established by the Pan-American Union. British warships have blockaded Martinique and bottled up the French fleet units stationed there. American warships have been sent to Martinique as "observers."

Official figures of German war casualties in the Battle of France were released in Berlin last week by the German High Command. Total German losses on the Western Front from the opening of the German offensive on May 10 until the conclusion of the armistice were given as: Killed, 27,074; missing, 18,384; wounded, 111,034; total casualties, 156,492. British sources believed these figures represented a gross understatement.

Four hundred and seventy Italians and 143 Germans perished last week-end when the British steamer Arandora Star was torpedoed and sunk in the Atlantic by a German submarine. The vessel was carrying altogether 1,500 Germans and Italians who had been interned in England and who were being transferred to Canada. The Nazi U-boat apparently sank the vessel in ignorance of the fact that it carried German and Italian internees. Berlin condemned the British Government for exposing defenceless prisoners to risk by transporting them through a war zone, describing the action as deliberately intended to encompass their deaths.

Britain suffered a setback in the Balkans at the end of last week when, according to a *Domei* report from Bucharest, the new pro-Axis Rumanian Government ordered all British agents and officials of British oil companies in Rumania to leave the country within 24 hours. About 30 field executives of big British oil companies were affected by the order. At the same time, the Rumanian Government was reportedly taking measures to liquidate all foreign interests in the country, with the exception of German interests.

Mad House-Painter's Assistant

Daily Herald, London

"German Nazis Again Forcing America Into the War!"

The *Editor and Publisher*, chief trade paper of the newspaper publishing industry in the United States, said in its issue of May 18 that "shrillness, heat and hate are beginning to appear in the columns which American papers devote to "letters from readers," "Editor's Mail Box," and similar titles. The magazine *Time* which devotes several columns to letters from readers noted a similar tendency (June 3), stating that "almost overnight, after the invasion of Belgium and Holland, isolationist and pacifist letters practically disappeared from *Time's* incoming mail and succeeding letters .. showed emergence of feelings and beliefs that have evidently been long latent and inarticulate." This sudden change in sentiment constituted the sharpest apparent change in reader sentiment in *Time's* experience, according to the Editor's statement.

Of special significance was the comment in *Editor and Publisher*, which, as stated, is the organ of the newspaper industry. The editor

No Further Argument Needed!

Berryman in the Washington Star

said, "We don't like the omen .. it is too reminiscent of 1915 and 1916. Then as now, we had in this country a gradually rising tide of resentment against Germany, and, then as now, we had the same screaming, sneering, strident remonstrances from (1) people who favored the Germans (2) people who hated the British (3) people who honestly believed that Europe's war was none of our business and resented what they considered propaganda in the press to drag the United States into it."

After a discussion of the element of propaganda from both the British and German sides, the American trade journal said,

"The factor that put the United States into the war in 1917 was not Allied propaganda. It was not Ambassador Page's 'unambassadorial' conduct at London. And it was not President Wilson's love for England or craving for glory. It was, we think, flagrant disregard of our sensibilities. We didn't have to think of the German as the 'Boche' or the 'Hun' or the 'blond beast' to get mad at him for sinking ships on which we, as free people, thought we had the right to travel. We didn't require any Allied 'needling' to get sore when German agents planted bombs in powder factories where Americans were earning an honest dollar; we never thought of those dollars then as anything but honest and highly welcome. We didn't need any coaching from our visiting torchbearers to resent the partonizing and insolent tone of the German replies to Mr. Wilson's scholarly statements of American rights. We raised plenty of steam on our own fires when it developed (admittedly with British help) that Germany was plotting against us in Mexico. Mr. Wilson, as some have held, may have sealed America's fate long before April, 1917, when he solemnly told the German government that the United States would hold it to 'strict accountability' for violations of American rights; when he wrote those words, he appeared to have the approval of the majority of his countrymen .. and those words were not written or suggested by any Allied propaganda."

The editor—continuing his analysis—said it was "abundantly clear from post-war records that Germany knew that American intervention was certain when unrestricted submarine warfare was proclaimed." Germany decided to gamble on ending the war before American help could be effective. It was a desperate gamble, but it came within a hair of winning; so close, that if Germany had played her submarine game with more finesse in the Spring of 1917 and delayed American's entry from April to June or July, the German army might have been in Paris by July of 1918. The Allies didn't hustle us into the war on April 6, 1917; the Germans did. The smartest propagandists the Allies ever sent to America would have been helpless without the repeated provocations that the Germans supplied ..

"That's an old story, but it is being repeated today. Britain and France don't need any propagandists in America to arouse hatred of Hitler's Germany. The ordinary newspaper reader doesn't think of Norway, Denmark, Poland, Holland, Belgium, Austria, Czechoslovakia as lost customers for American goods. He doesn't realize as he reads his paper that we won't be able to ship them our corn, wheat, automobiles, or whatever, for a long time, and that the loss of those markets may hit him in the paycheck before many months have passed. He thinks of them as groups of human beings like himself, people who want to be let alone, raising their crops, keeping their stores, running their lathes or their book-keeping machines. He knows that none of them as a nation could have attacked Germany. He knows that Germany overran them for their food, their gold, their machines, their railways, their shipping, or for their strategic nearness to major enemies. And our ordinary newspaper reader, an honest chap who believes in fair play, has no use for the blitzkrieg. His instincts are all against it, as they are against the thug who shoots a cop from the ambush of a dark doorway .. we add that all the headline confusion imaginable is trifling in its effect compared to the impact of the facts that the Germans have shown a flagrant indifference to the rights of every neutral neighbor, that they have discarded all the once-accepted amenities of civilization, that the only restraint they recognize is the limit of their own strength. Facts like that dwarf any technical treatment that newspapers may give them .. Even after the invasion of the Low Countries it is doubtful that the majority of Americans realize that all of Germany's recent camaigns prove Hitler's desperate need of a quick victory—a smashing victory before American aid snatches from Germany its present advantage in the air. There are implications in that which, God forbid, may break another cyclone of headlines across America, headlines which will astound Americans, though they should not."

The newspaper trade journal then said it was no longer regarded as fantastic that Hitler might send bombing and transport planes across the Atlantic to South America in one day and with re-fueling facilities in this hemisphere, of being over United States soil the next. "While it is not probable that Germany will undertake any such activities in the Americas, it would be foolish to bet against it .. If Hitler is stopped before he reaches the channel (this was written May 18) it can be predicted that he will do the unexpected somewhere else .." Then appeared the following significant statement:

"It is not inconceivable that he (Hitler) might strike—with Japan as his hammer—at the Dutch East Indies, source of much of the oil, tin, and rubber, without which neither the

Britain's Ally—Time

Chicago Tribune

Allies nor the U. S. A. can build or operate airplanes. As this is written (May 18) the possibility seems remote that Americans would regard that as a cause of war, but it might work out otherwise . . "

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The above remarks written in a newspaper trade journal in the United States more than two months ago have turned out to be prophetic in the light of succeeding developments, particularly in this part of the world. We wonder how many Americans in Shanghai heard the broadcast over the German radio station here on Tuesday evening, July 9, for if they did, most of them probably have discarded their past tolerant attitude regarding the nightly tirades of this spokesman of Nazi culture in the Far East. Using language which most Americans would regard as little short of blasphemy, the Nazi spokesman referred to the American system of government as a "Jew Democracy," and in another connection referred to the "dunghills of democracy" in the United States. Referring to the recent observance of July 4, the American national holiday, which was largely devoted to patriotic exercises designed to stimulate defense measures and preparedness, the local Nazi spokesman declared that the American democratic political theory, embodied in the Declaration of Independence and Constitution, "that governments derive their just powers from the consent of the governed," or that no man is entitled to govern another without his consent, was a lot of poppy-cock or humbug that had no place in this modern world. He then declared that if present tendencies in the United States continued, "America will be compelled to pay for this war as she did the last one."

On a previous occasion the Nazi spokesman referring to several American correspondents stationed in various European capitals, who had sent reports of which he disapproved, remarked that these men "probably would find themselves in jail before long." He also referred to Carroll Alcott, popular local American broadcaster as a "low-browed representative of so-called American culture.',

Since the local Nazi broadcast usually consists of tirades against the British and an attempt to dispute statements appearing in British newspapers over the world, a local British official was asked why the British "didn't do something about it." The Briton replied, "Oh, we have found him to be an excellent stimulator of patriotic effort on the part of our people, and if he ever starts attacking Americans, we are sure that it will speed their entry into the war."

This statement by the British official received our heartiest approval and if, combined with the vindictiveness of the Nazi radio spokesman, there is an increasing tendency toward cooperation on the part of Germany and Japan, then there can be no question of America's early entry into the war. One wonders whether the Germans do not already realize the inevitable entrance of America into the war—which may be responsible for the recent decision of the Nazis to include Americans in the verbal "blitzkrieg," previously directed at Britons exclusively. Previously the French also were objects of Nazi verbal vengeance, but since the French capitulation, the Nazi spokesman has literally "fallen over himself" in his expressions of sympathy and consideration for the welfare of the unfortunate French people "who were betrayed by the perfidious Britons."

Gambling Houses Responsible For Many Court Cases

FIVE Russian youths, sons of well known Russian families in Shanghai, appeared in the First Special District Court this week on charges ranging from petty thievery and the receipt of stolen property to house-breaking. The value of property stolen, according to the police report, was $45,000. A list of stolen articles filled a half column of newspaper space, most of the property having been taken from apartments. The boys had an ingenious system of telephoning residents and when the proprietors were absent would proceed to break into the places and loot them of portable articles, including radios, jewellery, silverware, etc. Two motor cars also were included in the thefts.

The Russian attorney who defended the youths appealed for leniency on the part of the court on the ground "that his clients had been led astray by the bad social environment in Shanghai." He said they came from good families and had received their educations here. Since they had promised to repent, he urged lenient treatment.

The term "bad social environment" used by the attorney, referred to Shanghai's gambling houses which operate openly about the borders of the foreign settlements in territory controlled by the Imperial Japanese Army and Navy authorities and their puppet Chinese hirelings, including Fu Siao-en, "mayor" of the local Chinese municipality, and Wang Ching-wei, No. 1 puppet, who heads the Nanking regime. Politicians connected with the Wang regime even operate one gambling-opium smoking resort, known as the China Club, which is located only a few steps off Great Western Road, a chief street which runs through territory now popularly known as the "badlands" due to the vice dens which have been introduced here by the Japanese and their Chinese hirelings.

While foreigners, such as the young Russians referred to above, occasionally appear in the local courts on theft or embezzlement charges resulting from losses in the gambling houses, the chief victims are the Chinese people. A few weeks ago a well dressed Chinese young man was observed gambling for high stakes in the Hollywood resort, located on Yu Yuen Road. He became reckless and lost large sums. Shortly afterward it became known that he had embezzled more than $40,000 from the Chinese company with which he had served as cashier.

In another case a young Chinese steward in a local hotel committed suicide by jumping from an upper floor to the sidewalk several floors below. He had gambled away money which he had saved in order to get married.

In one recent case in the First Special District Court a Chinese youth was prosecuted for passing bad checks at local gambling houses. Imagine that!

Another case this week involved a Chinese printing house foreman, 40 years of age. He had stolen machines valued at $10,000, which he had pawned with the object of obtaining money in order to recoup himself for funds lost at local gambling houses. The head of the printing company, a foreigner, appealed for clemency, stating in court that the Chinese foreman was of good character "and had not intended to commit evil which was the result of pressure of gambling debts which drove the prisoner into an act of desperation."

Shanghai newspapers, Chinese and foreign, publish almost daily accounts of these cases, but they only hear of the sensational ones. The monthly report of the First Special District Court. which serves the International Settlement, and the Kiangsu High Court, second branch, for June, which was issued this week, stated that the Courts handled a total of 11,404 cases, an average of approximately 40 a day. One imagines that a considerable portion of these cases involved defalcations resulting from losses at gambling houses. It would be interesting for some student interested in research to investigate this question and compare conditions now and prior to the opening of the Japanese-protected gambling houses.

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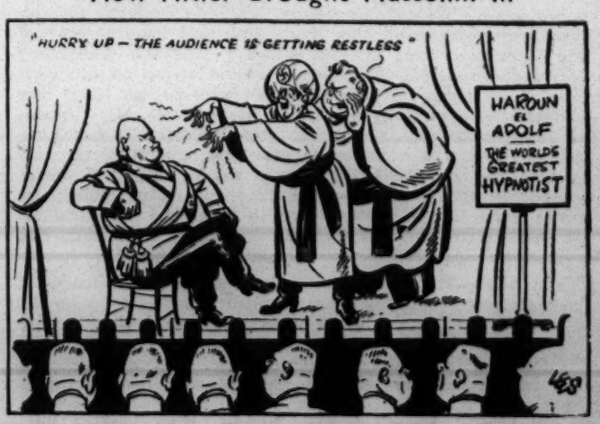
There are now seven gambling houses catering to the Chinese public, operating openly in the western "badlands" area. With the exception of the China Club, which has the double protection of the Japanese military authorities and Wang Ching-wei politicians, all were closed on June 16 by the Japanese gendarmes, supposedly on orders received from Tokyo. But all re-opened around the first of the month, using new entrances, without the neon signs which previously flashed the house names and street numbers. It was alleged that the Japanese gendarmes had secretly recommended this method in order to delude Tokyo officialdom into the belief that the closure orders had been carried out. In the case of the Hollywood joint, the old entrance opening directly on Yu Yuen Road was closed and a new entrance, through the compound of a cabaret was opened. The name of the place also was changed, as was the case with the other places. When the places were closed it was rumored that the proprietors were informed that they could reopen by paying $100,000 each. The Japanese who is said to have charge of the so-called "amusement" industry in the Western suburban district, including gambling, opium-smoking and the sale of heroin is said to be named Miura.

Aside from the Chinese houses there is one place, known as Farrens, Ltd., which is owned and operated by foreigners and caters chiefly to foreign customers. The proprietors of Farrens are Joe Farren, said to be of Hungarian or German nationality, and E. T. Riley, said to be an American. Farrens is also located on Great Western Road in the vicinity of the American Columbia Country Club.

All of the gambling and opium-smoking houses, excepting Farrens, were closed for three days over the recent war-anniversary period, orders to that effect having been issued by the Japanese authorities.

How Hitler Brought Mussolini In



Lees in London Graphic

Chinese Leaders Voice Hope for Future in Speeches on Third Anniversary of Sino-Japanese Conflict

CHUNGKING SEEKS PEACE, SAY JAPANESE RUMORS

.One of the numerous *Domei* inspired political rumors which have been emanating from Hongkong during the past few weeks, announced July 9 with a convincing air of finality that ".... the question of peace has openly been put on the agenda of the Seventh Plenary session of the Chungking Kuomintang Central Executive Committee and Central Supervisory Committee" etc. No reliable reports having been received to confirm this the rest of the same dispatch can be taken with the skepticism it deserves.

The report declares that a group of 170 influential persons in Szechwan and Sikang have presented the national government with a signed proposal advocating peace. The report adds that handbills have been found scattered broadside in Chungking attacking the national government.

THE third anniversary of the outbreak of the Lukouchiao Incident marking the beginning of the current Sino-Japanese hostilities was fittingly observed in China and Japan. The observance was accompanied by considerable speech-making by both sides, each voicing the determination to vanquish the other and to protract the war to the end. Meanwhile, the week witnessed two other important developments. The Wang Ching-wei-Japanese negotiations were formally opened in Nanking, while in Chungking important Kuomintang leaders gathered to deliberate on China's internal and foreign policies at the 7th Plenary Session of the Central Executive Committee.

July 7 was dedicated by the Chinese in free China as the "day of national regeneration" and observed as a public holiday. Memorial services in honor of the war and civilian dead, mass meetings and parades were held in Chungking, Chengtu, Kunming (Yunnan), Lanchow (Kansu), Kweiyang (Kweichow), Kweilin (Kwangsi) and other cities. Numerous telegrams were received in Chungking from various parts of the country pledging their continued support of the resistance policy and expressing firm conviction that China will emerge victorious from the present struggle. The rank and file of the Chinese armed forcees on various fronts were cheered and encouraged to fulfil their sacred mission of creating a new and powerful China through the war of resistance.

On the eve of the anniversary, Generalissimo Chiang Kai-shek issued a message appealing for immediate aid from the United States and the Soviet Union. The Generalissimo said that if these two nations took immediate steps to provide China with the necessary assistance, "there could be little doubt of the early clarification and stabilization of Pacific affairs, such as would not by any means benefit China alone."

Generalissimo Chiang warned the powers against Japanese threats against the Dutch East Indies, Indo-China and Burma, describing them as "nothing but bullying, baseless words aimed at gaining predatory opportunist ends without resort to war. Let the powers meet such threats with discernment and stern resolution," he declared.

Reasserting China's determination to continue the war against Japan until the end, the Generalissimo said, "Until the enemy has entirely cast off his aggressive policy and withdrawn his forces from our soil resistance will never halt. This I feel in a position to solemnly reiterate on behalf of my Government and people."

The Generalissimo also asserted that China is not only ready to fight until the complete withdrawal of Japanese troops from Chinese soil, but is prepared to carry the fight into Indo-China, should Japan extend her aggression in that or other Asiatic areas.

In a message to the Chinese Army and people, Gen. Chiang urged continuance of the struggle. Pointing out the magnitude and significance of the present conflict, Gen. Chiang appealed to the entire nation to work harder to carry out the spiritual mobilization of China and to give full support to the Government's military program by active participation. He also asked the nation to support the Government's economic program by expediting the reorganization of district administrations.

Gen. Chiang, in a special radio broadcast to America on July 8, urged the United States to "put an end to the export of war materials to Japan immediately and increase support to China."

Madame Chiang Kai-shek on July 7 reiterated China's determination to continue the struggle against Japan in a statement reviewing the three years of the Sino-Japanese war.

Gen. Abe-Wang Ching-wei "Negotiations" Open

After negotiating secretly for many weeks, the Japanese military authorities announced on Friday, July 5, that diplomatic negotiations "got underway" between Wang Ching-wei, head of the Nanking puppet government and Gen. Nobuyuki Abe, Japanese Envoy Extraordinary and Ambassador Plenipotentiary, for the "readjustment" of Sino-Japanese relations. Gen. Abe is sitting on the left. The picture was distributed by *Press Union*, picture department of the official Japanese *Domei* news service.

Describing the suffering of the Chinese people as "epic", Mme. Chiang urged all Chinese to remain "strong in our resolute determination to uphold the principles of international justice."

"Three years ago today," Mme. Chiang said, "the entire Chinese nation took up arms to resist Japanese aggression so that as a free and independent nation, we might survive.

"To us Chinese people, the date was the dawn of a new, glorious era. On that day, with unflinching courage and resolute determination, we militarily weak nation, dared to defy the military might of a first-class power credited with being invincible.

"Through a baptism of blood and fire such as has never befallen any other nation, we regained our manhood; we compelled the respect of the world; and, what is more important, we regained our own self respect, which for centuries, while under the domination of alien rule, we had forfeited.

Chairman Lin Sen of the National Government, in a speech on the anniversary day, emphasized that China's resistance must be victorious and her national reconstruction successful because of three outstanding achievements. First, militarily, the

Chinese forces have become stronger, while the Japanese weaker. The most critical period of toe military operations has passed and China is heading toward victory. Secondly, Chairman Lin said, Japan's political offensive in the past year completely failed because the puppet organizations set up by the Japanese have failed to win the support of the Chinese people. Thirdly, international developments tend further to strengthen China's confidence in her final victory.

Dr. H. H. Kung, Vice-President of the Executive Yuan and concurrently Finance Minister, reviewed China's financial situation after three years of the war in an anniversary statement. He declared that reasons for China's financial stability are:

The strong foundations laid before the war, the abundant harvests gathered in by China's farmers during the last three years, successful utilization of capital, large overseas remittances, and foreign sympathy and assistance.

Foreign Minister Wang Chung-hui expressed his gratitude for the "sympathy and assistance extended China by friendly nations." He declared that China is fighting to defend herself as well as to uphold the sanctity of the Nine Power Treaty and other international agreements and to assist in maintaining peace in the Far East.

In a detailed review of important battles in the Sino-Japanese war in the past three years, Gen. Ho Ying-chin, War Minister, asserted that up to May this year Japanese casualties totalled 1,600,000 killed and wounded, while 83 per cent of Japan's able-bodied men have already been conscripted. The Japanese, according to Gen. Ho, used 25 divisions at the beginning of the war, which were later increased to 29 divisions and then to 33 divisions. On the other hand, he said, China had 2,000,000 soldiers at the beginning of the war, but the total has now increased to 6,000,000 and several more millions are now under training.

As a result of air operations in the past three years up to April 30, 1940, a total of 848 Japanese planes were destroyed, declared Gen. Chow Chi-jou, Commander-in-Chief of the Chinese Air Force, in a statement on the war anniversary. Of this total, he said, 256 were shot down by Chinese fighters, 253 destroyed on the ground, and the others destroyed by anti-aircraft batteries and other military units. The Chinese, Gen. Chow asserted, buried 1,055 dead Japanese airmen and 51 prisoners, while 42 Japanese airmen were missing.

Observance of the third anniversary of the war in Japan was characterized by prayers, street parades and lecture meetings. The prayers were offered at the Japanese imperial shrines "for the success of Japanese troops at the China fronts." Premier Yonai, War Minister Hata and Navy Minister Yoshida were the principal speaker on the occasion. They pointed out the significance of Japan's campaign in China and the nation's determination to carry through the successful solution of the China war.

In a lengthy statement issued on the eve of the anniversary, Premier Yonai stressed the necessity for the effective consolidation of domestic wartime organizations, the complete destruction of the Chungking regime, and a final settlement of the China Incident with a subsequent stabilization of the whole of East Asia. With reference to the fast-spreading European conflict, the Premier declared that Japan positively cannot allow the European war to affect unfavorably the stabilization of East Asia which "we so ardently desire."

Gen. S. Hata, War Minister, declared that while the swiftly changing world situation was developing in favor of the execution of her national policy, Japan should consolidate her domestic front on the basis of national unity and mobilize her entire strength in accord with the national defense program, otherwise Japan will not be able to emerge victorious from the coming revolutionary period of the world. He said that it is the responsibility of Japan as the stabilizing power in East Asia to eliminate any effects of the European conflict detrimental to the establishment of a new order in East Asia.

Navy Minister Yoshida pointed out that a pre-requisite for the construction of a New East Asia is firstly to realize a "sphere of peace" based on mutual prosperity in which would be included Japan, Manchukuo and China, as well as the South Seas region.

Thomas Kwong Photos

Chungking during the past weeks has undergone a veritable purification by fire as the Japanese in 22 bombing raids have attempted to raze the. city and bomb all resistance out of its inhabitants. So far no cracks have shown in the Chinese determination to fight on. The photo at left shows an incendiary bomb exploding on the populous Chungking peninsula swept round by a curve in the Yangtse. In upper left photo, homeless families pick over the ruins of their burned houses and above a truck rushes some badly wounded cases to hospital. An interesting outcome of the bombings has been the increasingly fewer number of casualties as people learn to use underground dugouts.

Speaking on behalf of Japan's armed forces in China, Col. Itsuo Mabuchi, spokesman for the Japanese Army, urged that as the present international situation provides a golden opportunity for the reconstruction of East Asia, Japan should waste no time in availing herself of the advantages so that she would have no regrets in the future.

Watching Third-Powers

China Fortnightly.

Supported by her armaments Japan seeks to remove the safety buoys, marks of civilization, planted by the U. S. and Britain.

Apparently, the Colonel hinted that Japan should lose no time in grabbing the territorial possessions of the European belligerent countries in East Asia.

Wang Ching-wei, head of the Nanking regime, also issued a statement on the occasion of the third aniversary of the war. He voiced regret for the outbreak of the current Sino-Japanese hostilities and their extension to already three years. After claiming that Japan does not want to conquer China but only to cooperate with her in the work of reconstruction in East Asia, that is, in the creation of a "New Order," Wang harked back to his old theme of "peace, anti-communism and reconstruction. He said he was determined to achieve these three objectives. Wang denounced foreign economic aggression during the past hundred years and urged that China must get rid of all Western imperialistic exploitation.

As a precaution against possible Japanese air raids, strict secrecy continues to surround the place and proceedings of the 7th Plenary Session of the Kuomintang Central Executive Committee in Chungking. It is understood, however, that important discussions have been in progress since July 1 on readjusting China's policies in the light of the current international developments. According to a dispatch from Hongkong, renewed pledges to resist Japan and announcement of efforts to secure closer cooperation with Soviet Russia featured the deliberations during the Session.

Closer cooperation between Chungking and Moscow, the dispatch interpreted as better cooperation between the Kuomintang and the Chinese Communist Party. In this connection, it was pointed out, Japanese sources in Hongkong have not circulated for some time reports of alleged dissensions between the two parties or civil war in Shansi.

The Kuomintang Session is said also to be striving to secure more effective assistance from the United States through T. V. Soong. It is even suggested that Mr. Soong may become the next ambassador to the United States, while Dr. W. W. Yen is also mentioned for the same post. A third candidate is Dr. V. K. Wellington Koo, Ambassador to France, now somewhere in Spain.

Aside from diplomatic issues, the Hongkong dispatch continued, the Kuomintang Session is tackling the question of constitutional government and the convocation of the People's National Congress on Nov. 12.

For the present it is held unlikely that there will be any change in the present Government, although it is rumored that Sun Fo, President of the Legislative Yuan, may become the President of the Executive Yuan if a strong alliance with Moscow materializes. Another version is that Chu Chia-hua, Berlin-educated director of the Organization Department of the Central Party Headquarters, is slated to be Foreign Minister, provided some sort of understanding can be reached with Germany.

After an inexplicable delay of more than two months, the Nanking-Japanese "peace" negotiations were formally opened on July 5, when Wang Ching-wei and Gen. Nobuyuki Abe initiated talks for the conclusion of a "peace treaty." In an inspired statement, the spokesman of the Japanese Embassy explained that the object of the Nanking negotiations is to put into treaty form the spirit of the Konoye Statement concerning Sino-Japanese relations. The three basic principles enunciated in the Konoye statement are good neighborliness, joint defense against C mmunism and economic cooperation. He said that the negotiations would be conducted on a basis of equality between the two countries (that is, between Nanking and Tokyo).

Replying to an inquiry whether the procedure of carrying on the negotiations on the basis of equality would conform to Foreign Minister Hachiro Arita's statement regarding Japan's position as the stabilizing Power in East Asia, the spokesman said that there is no conflict, pointing out that the "stabilizing power" as referred to in Mr. Arita's statement, has equality as a basis. Asked if Japan will recognize the Nanking regime when a treaty is concluded, the spokesman replied that the signing of a treaty may signify the extension of recognitions.

The opening session of the Wang-Abe negotiations was devoted to an exchange of general views. Wang Ching-wei paid high respects to Gen. Abe and expressed the determination of Nanking to achieve the mission of the conference which is to effect a fundamental readjustment of Sino-Japanese relations. Gen. Abe praised the sincere efforts for peace made by Wang and other Nanking officials since the formation of the Nanking Government. He then enunciated Japan's immutable policy for the readjustment of Sino-Japanese relations.

Concrete discussions between the Japanese and Nanking delegations began at their next meeting on July 6 but no details were made public after the session. Nanking's Foreign Office issued a brief and vague statement to the effect that the second session was held during which views were exchanged regarding some important points brought up by Japanese representatives for discussion. Wang and Abe were not present at the session. Since then, no further communiques have been issued by either Japanese or Nanking sources and no information is available regarding the proceedings of the Nanking parleys.

Handicapped

Cartoon from *China Fortnightly* shows Japan trying to meddle in the European conflict, but tied down by the China conflict.

Japanese sources in Nanking asserted that following the issuance by Wang Ching-wei of an order for the arrest of 83 alleged Chungking agents now in hiding in the International Settlement and French Concession of Shanghai, three of the proscribed men had been taken into custody. They were Ma Yuan-fang (former Commissioner of Education of Kiangsu), Tsu Pu-hu and Chang Mu-min (of the Kiangsu Provincial Party Headquarters). The three men were reported to have been taken to Nanking.

Chou Ching-fang, former secretary to Gen. Tang Sheng-chi (Garrison Commander of Nanking during the Japanese seige of the city in December, 1937), was reported by Japanese sources to have joined the Nanking regime and appointed Vice-Director of the Administrative Department of the Military Affairs Commission. Chou is a Japanese returned student.

According to reports from North China, since the beginning of July there have been mass arrests of students and faculty members by the Japanese gendarmes in Peiping. More than 200 students have already been arrested, the victims mostly from the Yenching, Pujen and other universities.

Chungking Undergoes Twenty Second Nippon Airraid

Five days of peace were shattered for Chungking late in the afternoon of July 4 when two Japanese Naval air squadrons of 40 planes each roared over the capital in the midst of preparations for a meeting of the Kuomintang's Central Executive Committee.

The raiders, making their 20th appearance of the year, were only slightly inconvenienced by the interception of 13 valiant but outnumbered Chinese pursuit planes. Incendiary fires were started in various parts of the city and the buildings of the National Central University were badly damaged. The Japanese claimed to have raided an air field at Suining, northwest of Chungking.

On the same day the Chinese military spokesman in Chungking told the press that the Japanese were building an airfield at newly captured Ichang on the Yangtsze with the apparent intention of intensifying their attacks on the capital.

Another four-day lull followed the attack and Chungking was unmolested until 1 p.m. of July 8 when 120 Japanese planes flew over the city in four waves with a total of some 1,000 destroyed homes to their credit. The raiders dropped about 800 bombs but accounted for only 50 deaths on this occasion.

Again the courageous Chinese interceptors flew at the enemy horde, causing ground anti-aircraft batteries to cease firing. A *United Press* report alleged the destruction of two Japanese bombers in the immediate vicinity of Chungking although the Japanese later reported all planes returned safely to their bases.

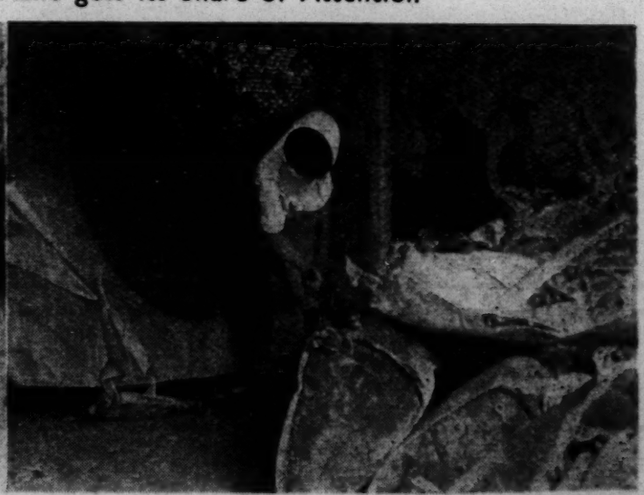
On the following day, July 9, the Japanese began their 22nd attack on the capital at noon when the first of four waves of planes flew overhead. The squadrons picked predetermined spheres for their activities, two concentrating on uptown districts, one to the west of the city and one down river from it. The house where the British Ambassador stayed while visiting Chungking recently was rendered uninhabitable. Chinese pursuits again attacked the raiders.

On the following day, July 10 the Japanese airfleet passed Chungking on its way to Santai, northeast of Chengtu. Incomplete reports claimed Northeastern University in Santai, had been damaged. No bombs were dropped on Chungking.

After a Chungking Airraid . . . .

The Wounded are Helped

. . . . and a Downed Enemy Plane gets Its Share of Attention



Thomas Kwong Photos

China Holds its Own Against Japan in Radio Warfare

BY S. T. HSIEH

The Sino-Japanese war continues unabated. From morning till night, in 20-odd languages and dialects, the numerous stations of both sides pour forth war news, features and propaganda.

The "Voice of China," a basic medium for broadcasting news of China to the world, still goes on the air, despite repeated Japanese claims that it has been silenced. Sixteen hours a day, in nine languages and five Chinese dialects, and from four basic stations, it calls all countries. Of the four stations, the most important is located in the wartime capital. The station—call signals XGOX and XGOY—has been gaining popularity since its inauguration on October 17, 1938. Letters arrive in large numbers from North and South America, Australia, New Zealand, England, France. Spain, South Africa, Portugal, Budapest, British Malay States, Netherlands East Indies, and, of course, China Proper. Since the Demo-Nazi war, letters received from Europe have dwindled while those from America increased.

This foreign mail is diversified in content and nature. Some simply gives QSL reports; other expresses joy and gratitude; still other forwards helpful suggestions for future broadcasts. All is sympathetic toward China's cause. These letters invariably start with, "It gives me great pleasure to report reception..," and then digress with some odd bits of information. A Kansas farmer who had gone through three years of dry wheather, took up the torch to champaion the cause of peace and justice. A man in Brooklyn wanted to know when the programs in Arabic come, for he gave news in that language to various New York publications. A listener-in in Batavia, Java, voiced condemnation of Japanese imperialism and Wang Ching-wei's treacheries. A resident of Budapest wrote in to express his joy for having intercepted the interesting program" from China and promised to tune in regularly hence-forth.

In Occupied Areas

On the home front, the "Voice of China" proves a boon to the people residing in Japanese-penetrated areas. For, with the present blockade of news, it offers about the only reliable source of information about the Sino-Japanese war and other things in general. For instance, one Chinese in occupied area reported that he listens in to the programs and passes on whatever information he picks up through tea house channels. A bookstore proprietor in Peiping traced the whereabouts of a foreign woman, who recently made a broadcast over Station XGOY, to Chungking, and sent in a bill she had neglected paying!

The "Voice of China" is different from that emanating from Government stations of other countries in that it does not, in general, make personal attacks against Japanese political or military personages. It attempts to give out information pertaining to China's armed resistance and national reconstruction, and only occasionally exposes Japan's weaknesses. It always tries to be impartial. Unless it is quoting somebody's remarks, it never mentions the word "enemy" as do the radio stations of the belligerent nations in Europe; and rather than use the partial "our" as. "Our air force conducts a raid on the enemy airbase in Hankow," the "Voice of China" says, "The Chinese air force conducts a raid on the Japanese airbase in Hankow."

Formerly the Chinese radio threw mud at the Japanese. The Konoye Statement was referred to as "that masterpiece of transparent nonsense," and the Abe Cabinet was said to be going in for "something very like self-abusement and self-effacement, offering you the bitter pill almost in its naked state." Vitriolic attacks are still made, however, against Wang Ching-wei who "has done nothing positive to serve his masters, has spent a great deal of their money, and negatively made himself a valuable archetype of treachery in which the opprobrium of a whole people has found a common object."

A typical "Voice of China" program now includes happenings of the day in the wartime capital and elsewhere in Free China, the movements of Chinese and foreign personalities, the progress of the national reconstruction, the military situation, world press comments on the Sino-Japanese affairs, ridicule of Wang Ching-wei, Japanese atrocities and destruction in China, and last but not least, Generalissimo Chiang Kai-shek. On the whole, it is constructive rather than destructive in content. The program is broadcast in English, German, French, Dutch, Malay, Japanese, Arabic, Hindustani, Chinese and five Chinese dialects—Amoy, Shanghai, Cantonese, Hakka and Taishan.

The war has strengthened China's radio communications with the world. Before the hostilities China had no shortwave broadcasting stations to speak of. Broadcasts were transmitted to foreign countries through a radio-telephone station of the Ministry of Communications. Today, besides the four basic shortwave stations, China has more than a dozen others scattered in Free China with a total power of about 100 kilowatts. The Chinese Government is planning radio reconstruction in the remote provinces of Sikang, Kansu and Chinese Turkestan where, in the near future, a network of powerful stations will be installed to give hook-ups with the far corners of the world.

Japan's radio propaganda is more intensive than that of China. She has 35 short- and longwave broadcasting stations in Japan Proper, with a total strength of 500 kilowatts. From the shortwave stations, of which Station JOAK 150 k.w.) in Tokyo is the most powerful, scathing attacks are delivered daily against the Chinese Government in Chungking and praise of Wang Ching-wei sung in 13 languages, including Japanese, Mandarin, English, French, Dutch, Spanish, Portuguese, Italian, Siamese, Mongolian, Arabic and Russian. The period daily transmissions to foreign countries has been increased from six to 14 hours in the past year. Two more shortwave stations each operating at 50 kilowatts will be added at the end of this year and a third one of 20 kilowatts this coming August; in June next year another of 20 k.w. strength will be installed.

Besides those located in Japan Proper, the Japanese have set up 15 stations in China since the war began in 1937, scattered through the occupied territory. The more powerful stations are located at Peiping, Tientsin, Nanking, Shanghai and Canton. Peiping has two, each operating at 50 kilowatts. The station in Nanking, of which Wang Ching-wei and other puppets have liberal use, started its work in September, 1938. From June, 1939 the Japanese further increased their propaganda by establishing another station in Tientsin. In addition, they have installed other minor stations in Hankow, Hangchow, Taiyuan (Shansi), Tsingtao, Tangshan, Shihchiachuang (Hopei), Hsinhsiang (Honan), Tsinan, Hsuchow (Kiangsu) and Yuncheng (Shensi).

Mankind's Final Triumph

LADIES AND GENTLEMEN! WITH THE PERFECTION OF RADIO-SYNCHRONIZED THREE-DIMENSIONAL COLOR TELEVISION, WE ARE NOW ABLE TO BRING YOU THE COMPLETE PICTURE OF THE END OF CIVILIZATION

Herblock in New York Times

Japan's Exhaustion Seen as Hope for Peaceful Existence of P.I. Republic

BY PEDRO CAMUS

THE world is witnessing to-day scenes of horror in the European conflagration, wherein nations engaged in the titanic task of destroying each other are leaving in ruin and desolation what once were peaceful homes and thriving communities.

Far from the din of battle, beneath clear tropical skies, lie the Philippines, a group of emerald islands dotting the blue Pacific, inhabited by a prosperous, peaceloving people. The 14,000,000 Filipinos comprise the only Christian nation in the Far East. Under the benevolent tutelage of the United States, they run a government of their own, enjoying the blessings of democracy and possessed of ampler internal autonomy than any single State of the American Union. Unlike other countries, the democracy that exists in the Philippines is real. It is not a meaningless word oftentimes used to mask an effective slavery.

Far East Conflict Seen

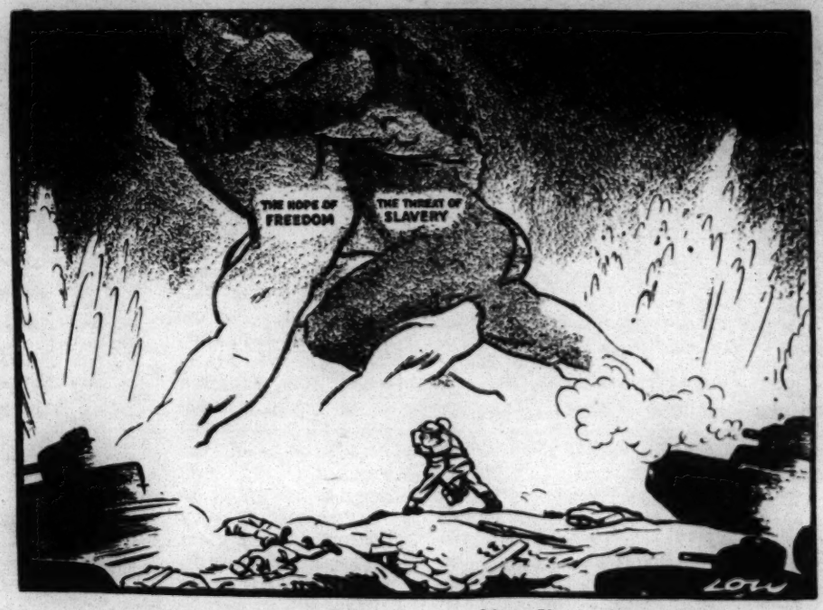
The present chaotic conditions in Europe mean nothing to the Philippines, except economic improvement, increase in her export trade and enhancement of her merchant marine. However, as the future looms uncertain, I cannot help but call to mind the opinion expressed to me by a noted European statesman, whose name I am not free to mention as he is now occupying a commanding position on the Allied political front, to the effect that the war now going on is but a prelude to a greater conflict in the Far East. Bearing this in mind, and considering the fact that, under the terms of the Tydings-McDuffy Act, which embodies a solemn covenant between the United States and the Filipino people, the latter will be granted absolute and complete independence in 1946, I wonder whether the Philippines are destined by Providence to play an important role in shaping the policies of the United States and other European powers in the Orient.

The Philippines, an eminently agricultural country, can supply Japan and other industrial countries with much raw material. They are rich in gold, iron and other mineral deposits. They are gifted by nature with great natural resources, awaiting only the magic wand of capital and willing labor to yield bountiful treasures. Although occupying a rather strategic geographical position, they are surrounded by aggressive neighbors who have even come forth from their tomb of Oriental seclusion to take active part in a struggle where only the strongest and the fittest survive. In the last few years, the Philippines have come to a realization of this situation and are not unmindful of the dangers that lurk ahead.

The European situation has convinced the Philippines of the fact that humanity and civilization have not yet reached a stage wherein weaker and smaller nations can safety live beside powerful, ambitious neighbours.

The bitter truth is a safer travelling companion than the pleasantest falsehood, and that is why the Philippines cannot rely solely on treaties or neutrality agreements to insure their future national existence.

Battle of All History

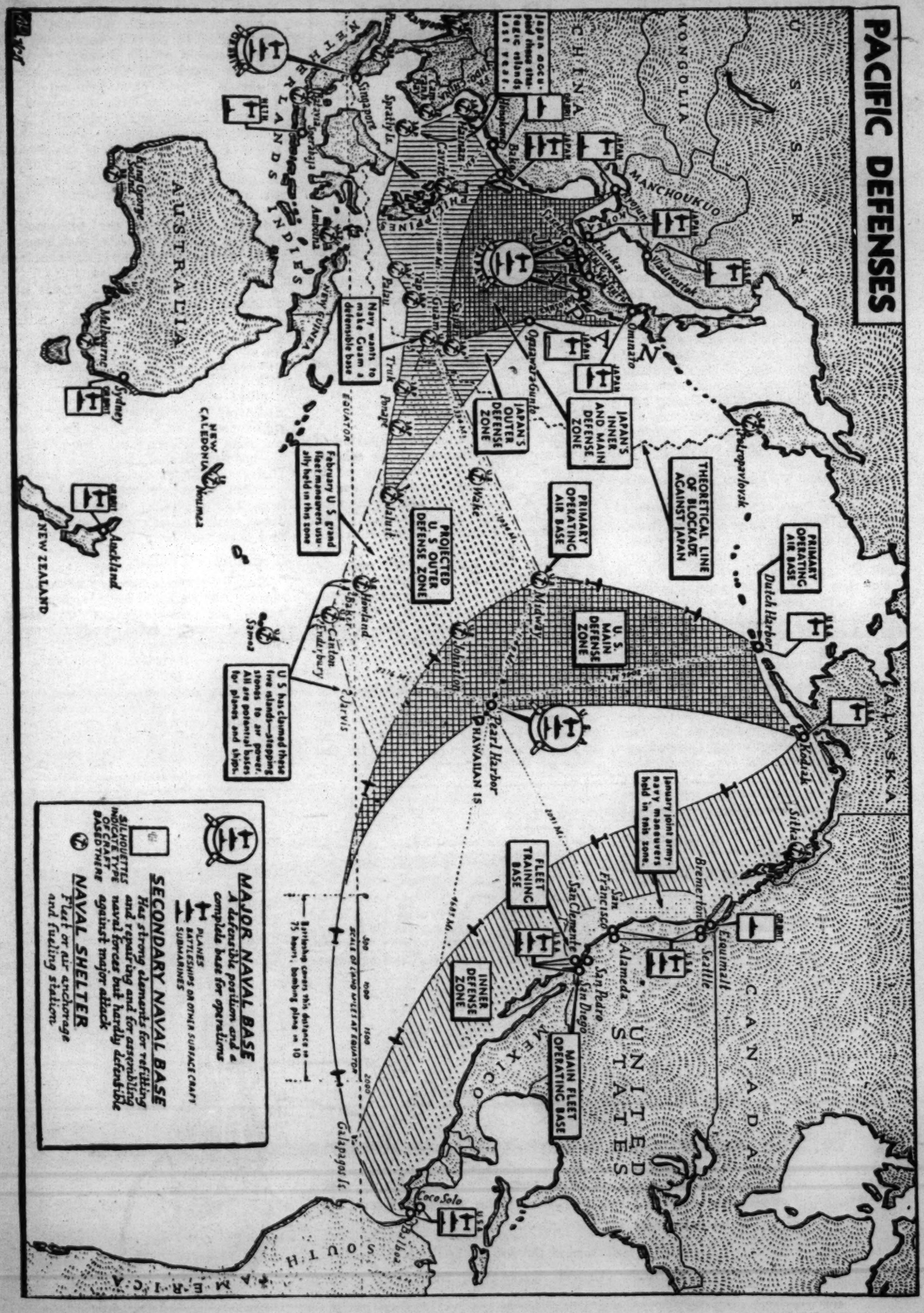


New York Times Magazine

The fate of Poland, Czecho-Slovakia, Finland, Ethiopia and others are vivid and recent examples which may be repeated in the Far East. The Philippines, therefore, with American technical assistance and supervision, are building an army, strengthening coastal defences and partly developing an effective air force. But it will be many more years before they can be strong enough to resist an armed invasion from a first-rate power.

Japan, with her overcrowded population, needs an outlet. She is in dire need of the raw materials, the agricultural products and the riches which the Philippines can offer. It is but natural that she should covet the Philippines, notwithstanding her protestations to the contrary. In fact, she has already gained a foothold in the island of Mindanao, the second largest island of the Philippine Archipelago, where she has been able to establish a veritable Japanese colony. For this situation some Filipinos who allowed themselves to become "dummies" in the acquisition of large, landed estates which were leased by them to the Japanese, are the ones responsible. The Philippine Government, realizing the seriousness of the situation, decided to conduct a wholesale investigation, with the result that many such leases have been cancelled. Just recently the Philippine National Assembly, despite strong protests from Tokyo, approved an immigration law limiting the entry of Japanese nationals into the Islands to only 500 a year. While Japan imported from the Philippines a small amount of raw materials, she sought to flood the Philippine market with her manufactured products. Thus it was evident that she tried to apply a policy of economic absorption. In this she would have succeeded had it not been for the high tariff walls, the free trade arrangement between the Philippines and the United States and the "Nepa" (National Economic Protectionism) movement which sought to inculcate in the minds of the Filipinos the necessity of patronizing home products and industries. Last but not least, Japan's undeclared war with China materially affected her trade with the Philippines. If the American flag were not flying over the Philippines, Japan would have regarded such a state of affairs as sufficient provocation to justify armed intervention. But if the present European conflict should extend itself to the Far East, the Philippines must inevitably be involved. There are many who believe that Japan is too busy in China. Yet it is not beyond the realm of probability that, now that Italy has entered the war on the side of Germany, she may, following the Rome-Berlin-Tokyo axis, strike in the Orient. The Philippines may then be as important to Japan as the Netherlands East Indies. She would then have to face the power and might of the United States, and the Philippines would be the battle-ground for the decisive conflict.

For the best interests and future of the Philippines, it is preferable to maintain at present the stauts quo in the Orient. The Philippines only hope that Japan may be so exhausted from her adventure in China as to allow an independent Philippine Republic to live in peace in the years to come.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UNITED STATES
MEXICO
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AUSTRALIA
NEW ZEALAND
NETHERLANDS INDIES
PHILIPPINES
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Navy wants to make Guam a defensible base
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JAPAN'S OUTER DEFENSE ZONE
THEORETICAL LINE OF BLOCKADE AGAINST JAPAN
PRIMARY OPERATING AIR BASE
PROJECTED U. S OUTER DEFENSE ZONE
February U. S. grand fleet maneuvers usually held in this zone
U. S. MAIN DEFENSE ZONE
U. S. has claimed these five islands—stepping stones to air power. All are potential bases for planes and ships.
January joint army-navy maneuvers held in this zone.
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INNER DEFENSE ZONE
MAIN FLEET OPERATING BASE
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Dutch Harbor
Kodiak
Sitka
Seattle
Bremerton
Esquimalt
San Francisco
San Clemente
San Pedro
San Diego
Alameda
Midway
Wake
Johnston
Palmyra
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Education's Role in the War Against a Fascist 'New Order'

BY YEN YING-LU

IN the modern concept of war — total war—in which every part of the population has a potential role either as victim or participant, education is a vital integer. This is a fact which China is learning after three years of invasion, for today education in China's western interior has been bent to political purpose aimed at bolstering the national will to victory, has been adopted to create the experts who are needed both for the present exigencies of war industry and agriculture and for the future planning of national reconstruction.

To these ends a new program for the gradual revision of the existing educational system is being carried out. This includes: (1) training and mobilizing the masses for national defence; (2) giving the people political and military training so as to strengthen their fighting power; and (3) training various kinds of workers and technical experts in all spheres of activities. Thus Chinese war-time education has not only adapted itself to a political conception of the resistance war but has become the handmaid of a mass movement.

For the past three years the students have borne ever increasing burdens for carrying on the war. They have become versatile agents for propaganda work among the masses. Besides pursuing their regular school curriculum now consisting of 31 hours a week, they are engaged in war-service activities. For instance, every now and then, they conduct gold-offering campaigns and charity sales for the aid of the soldiers at the front. Another important, duty they have assumed is to enlighten and unify the masses with entertaining yet very instructive dramatic programs. They organize mobile singing corps and dramatic troupes or harangue as street orators for the purpose of rousing national consciousness in the illiterates of the rural districts. Primary and middle school pupils undertake these services as well as the university students. Thus education has stepped out of the confines of the school to be in close touch with the realities of a war-stricken world. Apart from book learning, the students get practical civic training.

Period of Suspension

After having undergone a period of suspension and unrest, all the schools and universitiles have now moved to the rear and have settled down to work. But they all are confronted with increasing hardships as the war progresses. The lack of facilities has cramped their operations. Primary education has suffered the most in this respect. More primary schools are badly in demand on account of the vast concentration of population in the few provinces of Free China. Of the 27,198,336 children of school age, 11,227,000 have been in regular attendance at school, while 11,208,512 have received free education but 17% are still uncared for. The Government has also reorganized the middle school and university systems so as to standardize and unify them for the sake of both economy and efficiency. Thirteen middle schools, moved out of the guerrilla zones, have been established in the rear provinces under government control. Besides there are about 813 normal, vocational and other schools of the secondary class. Of the total 260,720 middle school students, 33,043 have graduated; of which two-thirds have proceeded to the universities, while one-third have entered the professions. The various colleges and universities, numbering about 110, have been put under unified government control, some of them having been combined, others abolished. The universities have been adapted largely to the purpose of training experts for war services.

To overcome the housing shortage has been a trying problem for all the schools. On their first removal into Szechuan, some schools had to share accommodation with the native schools, and others occupied all the vacant houses and temples that were available. With the bombing of cities, which has sent the schools further west into exile in the country districts, more quarters have to be improvised. At Sa Ping Pa in the environs of Chungkng, the Central Vocational School and the Central University have solved their building problem by constructing wood cabins with lath-plastered walls and thatched roofs to serve as class-rooms and dormitories.

Temporary Shelter

Even in these temporary sojourning places the students have enjoyed no peace for concentration on their studies. They have suffered continuous interruptions from air-raids. After the intensive bombings of Chungking on May 3 and 4, 1939, the enemy began to direct its aerial assaults on Sa Ping Pa. The Japanese military command has even created terror through radio broadcasts announcing its intention to bomb this educational centre. It has since

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carried out its threat by subjecting this locality and Pei Pei, where Fu Tan University is situated, to a series of severe bombings in July and August, 1939 and in May and June, this year. Fortunately, here the buildings of the middle schools and the universities are spread so wide that almost all the bombs dropped on the rocky lots around the campuses. Not one of the buildings was hit direct, though some suffered slight damage, and a few casualties resulted.

Accustomed to terrors of this kind, the students go through the air-raids with self-possession and courage. They have carried on their class-room work without a murmur, though indignant at the vandalism of the enemy and at the provoking inconveniences to which they have been subjected in the frequent stoppage of the light and water supply. The evacuation of civilians from the cities has already increased the difficulties of transport. The air attacks have caused the further disruption of the facilities of communication. The traffic routes have been thrown into such a congested state that the students have found it tedious and costly to travel from their homes to the universities at Chengtu and Kunming. The general drawback that affects all the schools in exile is that they are practically isolated and out of touch with the outside cultural world.

Another hardship staring both masters and students in the face is the lack of equipment and material, such as text-books, apparatus, stationery, and printing machines. The blockade of the Chinese seaports and the congestion of traffic on the Kunming-Haiphong route have delayed or nearly cut off the arrival of fresh supplies. Such quantities of writing materials as have filtered inland have advanced in price to exorbitant heights. Writing paper is now so scarce that a copy-book costs sixty or seventy cents, about six times its pre-war price. The use of glazed paper is a luxury to most of the schools, and they have fallen back upon the native brown porous paper; but even the latter is becoming more expensive. Stencil paper and printing ink, too, are so high that the use of mimeographed sheets, except when absolutely necessary, is avoided by the schools. All of them are therefore economizing on their stationery, facing the prospect of exhausting their present stock with future replenishment costly and uncertain.

Book Shortage

The shortage of books too, has affected all the schools. The demolition of the large book-stores in Chungking by the aerial bombings has heavily reduced book stocks and sent the prices of text-books rocketting. The educational authorities all worry about what the next term holds in store for them in the way of text-books, as the sources of their future supply remain uncertain and transport is precarious. But it is the lack of reference works and foreign text-books of the technical kind that has hampered particularly the work of the universities, which suffered so tragically from the loss or destruction of their libraries and apparatus. While purchase of these books from abroad is forbidding with the present rate of exchange, the supply of reprints by some Chinese book companies cannot fill a deficiency which is made more notable by the large increase of students at the universities. To cope with this situation, therefore, a committee was formed in March 1939 under the auspices of the Ministry of Education for the solicitation of books from foreign countries. Oxford University was the first to give ready response to this appeal for the aid of Chinese higher learning in the hour of its distress. Mr. H. N. Spalding of Oxford started the ball rolling with a personal gift of £2,000 for the purchase of books specially for the Southwest United University. The authorities of Oxford then sponsored the movement and have promoted it with a nation-wide campaign in England. On their initiative, a Committee of Book Appeal was formed at Oxford for furthering the movement in other British Universities and cultural institutions. A Coordinating Committee was at the same time organized in London, including some of the British educational leaders, for the purpose of collaborating with the Chinese committee and centralizing all efforts toward contributing books to Chinese universities. Up to the outbreak of war in Europe, about 62 cases of books were sent to China from England and 210 cases from U.S.A. where the appeal for books has been

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Students Mass

The mammoth gathering of students in the rear not only stimulated comradeship and patriotism but also raises difficulties in teaching and school administration. Under war-time conditions, it is to be expected that scholarship among the students is widely varied, showing in general a lower level. Through the prevailing upheaval and devastation, a large number of students have come to reduced circumstances so that they are too deficient in money and material resources to pay their way in school. Clad in shabby uniforms of native spun cloth, these school youths are supported by scholarships or subsidies granted by the Ministry of Education. The war naturally has filled them with resentment against Japanese aggression and made them vociferous in denunciation of Japanese war-lords and Imperialism.

The Government has taken steps to develop and guide the students' thoughts along the lines of the Three People's Principles. The San Min Chu I Youths Corps, a popular organization started in 1938, have been fulfilling this function. With the influential backing of the authorities higher up, these bodies are carrying on multiform activities to lead the school youths and regiment them for war-time services. This organization has the widest ramifications over the country, from the Government Departments down to the local conscription bureaus, and from the universities down to the elementary schools.

But the most effective in consolidating national strength for the prosecution of the war is the organization of various youth workers training corps in the rear. Thousands of young men who were unemployed or deprived of schooling have been absorbed in the camp life and given military and political training for war service and propaganda. Under the control of the Military Affairs Council, they are to serve as staff workers in the rural and industrial districts to awaken the masses to a clear understanding of their duties in national defence.

Total Education

For the past three years the Government has so formulated its educational policy that the school may be instrumental in strengthening the fighting power of the people and in furthering national reconstruction. Its main object is to militarize the students so as to make them capable of bearing the war-time burdens. The program as laid down by the National Educational Conference held in May, 1939 called for some changes in the school curriculums. Military training has been increased to become a three-hour-week work for middle schools and colleges. The courses in middle school are made continuous for six years, instead of being divided as formerly into two parts, each taking three years. Special stress is also laid on the reinforcement of moral training, for which the tutor system is given intensive application. Student self-government is being put into practice in all schools. More vocational and technical schools will

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be established to give the refugee youths profitable training as well as to relieve the unemployed.

To meet further political requirements for national reconstruction, a scheme for promoting national education was recently decided upon at the National Education Conference held on March 11-15. Its object is to make education not only the means for reducing illiteracy but the medium for giving the people training in the exercise of their rights of citizenship and in local self-government, as required by the new administrative system for the *Hsien*. Especially, compulsory and mass education shall be advanced with the establishment of one national school for each mutual pledge tithing and one central school for each village, besides increasing the continuation schools for adults. Illiteracy is to be eradicated within five years so that 80% of the children of school age and 60% of the adults shall get education. One pre-requisite of the plan is the training of teachers. To the 700,000 teachers now working in the field, 200,000 more will be added as required for the first year. The budget to finance the plan requires an appropriation of $190,000,000, which will be allotted to the local, provincial and central administrations. It has been estimated that the fifth year would need an operational expense of $480,000,000. The various district and provincial organs for educational administration will be made adequate and efficient and held responsible for the realization of national education. A new system of inspection and examination of records will check up progress made in that direction.

Japanese Claim Rescue Of U.S. Missionaries

Three American missionaries, the Rev. I. W. Jacobson, 65, Chairman of the Covenant Missionary Society; the Rev. Joel S. Johnson, 64 and Miss Mabel E. Olsen, 56, were reported by *Domei* on July 7 to have been rescued at Kingmen, Hupeh from the clutches of lawless Chinese troops fleeing before the swift Japanese drive on Ichang early in June. The missionaries who are all said to have long records of service in China, were found hiding in a clump of bushes after their church had been looted along with the rest of the town. The Rev. Mr. Johnson is reported to have told the Japanese that he regretted the anti-Japanese sentiment prevailing in the United States and failed to understand why it should persist.

Leon Blum in England, Secretary Held in Jail

Leon Blum, former Premier of France and leader of the French Socialist Party, is among the political refugees who fled their country as the German army advanced on Paris and is now residing with friends in England, according to a *Havas* dispatch from London. M. Blum's secretary, less fortunate than his employer, is in jail in Burgos, according to a *Transocean* report from Madrid, having been arrested by the Spanish authorities when he crossed the border.

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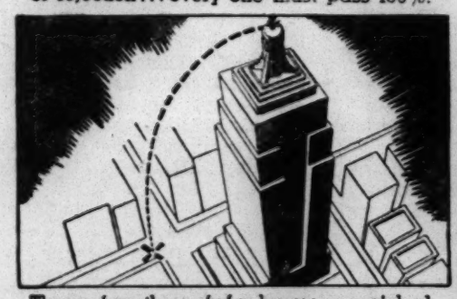

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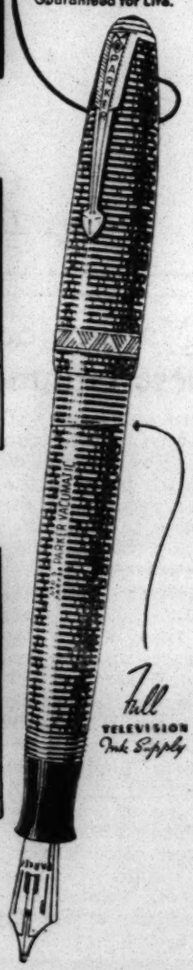

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U.S. Marines Seize Japanese Gunmen

The third anniversary of the Sino-Japanese war, July 7, passed without any attempt on the part of terrorists to disturb the peace of the Shanghai foreign concessions. It remained for the Japanese to cause the only incident of note, the stationing of plainclothes gendarmes in the American defense sector of the International Settlement.

While police and volunteer units were searching all pedestrians passing barbed wire barricades erected at street intersections leading from the two concessions, U.S. Marines on duty along Bubbling Well Road picked up 16 Japanese plainclothesmen scattered in several groups. After being disarmed the men were detained at Marine Headquarters while a vigorous protest was lodged with the Japanese military authorities, in which it was pointed out that the presence of the armed men was a flagrant breach of the covenant reached between Japanese and foreign military forces shortly after the outbreak of the war here.

The Japanese Explain

The Japanese immediately refuted the charge in a noon broadcast from their Embassy in Hongkew. The presence of the men was explained as a precautionary measure to protect Gen. Toshizo Nishio, Commander-in-Chief of the Japanese military forces in China, who was attending a morning cocktail party at the Park Hotel. Later in the day, however, Lieut.-Gen. S. Miura, head of the Japanese gendarmerie, personally apologized to the Marines for the incident, and upon the signing of receipts the gunmen and their guns were returned.

Nettled by the unfavorable publicity given the affair, the Japanese authorities on Monday denied that any apology had been made by Consul-General Y. Miura as had been erroneously reported, and announced that a strong protest was being forwarded to the Marine commander Col. DeWitt Peck as "The whole Japanese Army" had been gravely insulted. The Japanese admitted being at fault in not notifying the Marines of the intended presence of the plainclothesmen.

In an interview with the press Tuesday afternoon Col. Peck reiterated his original statement that Gen. Miura had apologized for the presence of the gendarmes. He added that release of details to the press had been effected before any request was received from the Japanese authorities and therefore there could be no question of a breach of promise in that connection as alleged by the Japanese. In the matter of injuries to three of the plainclothesmen who had proved recalcitrant when faced with arrest, the colonel declared medical examination had shown these to be superficial.

Affair Deprecated

The entire affair was deprecated by Col. Peck as having added unnecessarily to the duties of the American forces at a period of great tension.

Aroused over what they termed insults to the Japanese nation as well as to the army, unruly elements were reported by the *Tairiku Shimpo* Tuesday to have pasted Hongkew with such ready prepared handbills as: "Down with America-" "Remove the hindrance to the development of East Asia!" An open meeting of those interested evidently in direct action, was sponsored by the Japanese Young Men's Association for Wednesday night. A resolution passed at the meeting demanded an apology from Col. Peck.

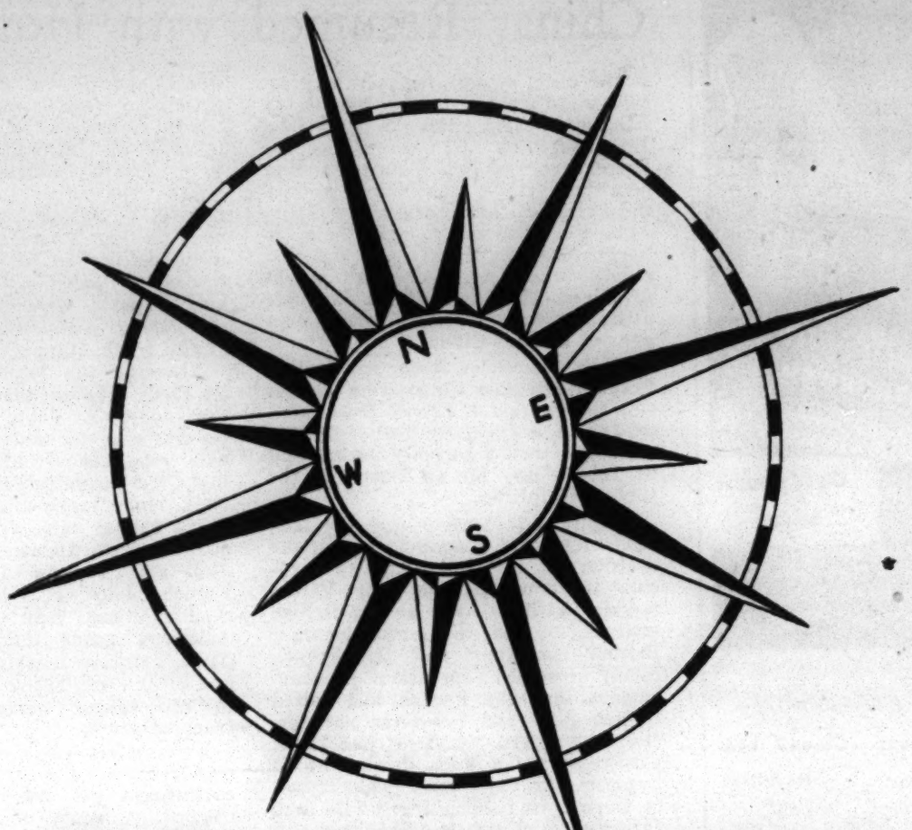
Gen. Nishio's visit to the International Settlement and subsequently to the French Concession on a tour of inspection, was the first official tour in the foreign areas by a high ranking Japanese officer since the 1937 victory parade along Nanking Road, which was led by Gen. Iwane Matsui.

At the Park hotel cocktail party where he talked with S.M.C. Chairman W. J. Keswick and S.M.P. Commissioner K. M. Bourne, Gen. Nishio was given assurances of intensified efforts to stamp out terrorism, according to a *Domei* report.

Subsequently the general toured the Siccawei defense zone which the Japanese recently took over from the French. Later he had conversations with high French officials, and while visiting a public institution in the Concession took the opportunity to offer prayers for Japanese war dead.

Social Masses Party in Japan is Dissolved

The Social Masses Party, only "proletarian" party in Japan, was dissolved July 7, according to a *Domei* report from Tokyo. Dissolution of the party, whose members are meanwhile to be held together in a club, was prelude to its inclusion in the new single Japanese national party which is being promoted by Prince Fumimaro Konoye and his followers.



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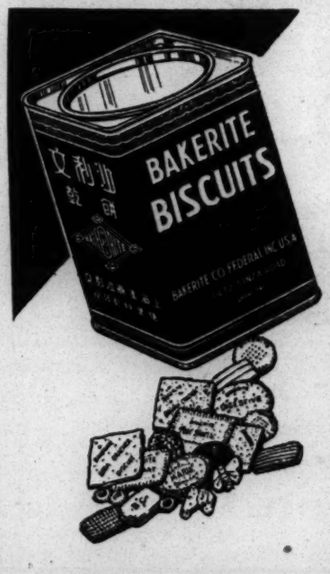

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Indo-China Trade Cut off From China, Resumed with Hongkong

The seeds of new Japanese aggression were planted in the Indo-China situation early this week when Japanese army fliers according to a *Domei* report of July 8, alleged finding munitions traffic continuing accross the French-Chinese border at Chiuhu. Japanese authorities were said to have voiced indignation at the discovery which they declared might force reconsideration of the Japanese attitude toward the government general of Indo-China.

While Chancellor Hitler and Italian Foreign Minister Ciano were discussing the disposal of French Indo-China on July 8, a Japanese fleet of 70 odd warships was reportedly assembling in Tonkin Bay for an attack on the port of Haiphong.

Despite this tension and the lack of clarity in the situation pending the decision of the Indo-China government to assume publicly a pro-Petain regime attitude or a pro-British attitude, air and ship service between British Hongkong and the French colony resumed operation Monday. rumors that the French had seized British ships and vice-versa notwithstanding. The services had been suspended for a week during which Imperial Airways mail was routed to Burma via Chungking. The first Japanese airliner stopped over in Indo-China on its way to Bangkok July 6. This was a result of the French-Japanese agreement.

Traffic Inspectors

Japanese military and naval inspectors settled down to the task of opening offices along the route of the Indo-China to Yunnan railway last week for the purpose of prohibiting the transit of any goods to free China. Why 100 inspectors were necessary and why they had to establish offices at Laokai, Langson, Kaobang and the two ports of Tienyen and Haiphong rather than at the single point where the rails bridge Chinese and French territory, was not explained.

Major-General Issaku Nishihara, head of the Japanese supervisory delegation, established his headquarters at Hanoi on July 3 and next day called on French Governor-General Catroux. On the same day Gen. Nishihara visited the French army hospital to which he donated 3,000 piastres. He entertained the Commander-in-Chief of the French Indo-China garrison to tiffin immediately after the visit.

A *Domei* report from Tokyo on July 6 claimed that a complete stoppage of traffic between Indo-China and China had been effected as a result of Japanese troops holding one side of the frontier and Japanese inspectors the other. Perfect harmony now reigns between Japanese and French authorities the report stated.

Role of U.S.

The same report claimed that the Indo-China routes had handled 70 per cent of all traffic between the outside world and Indo-China. Closure of the route would cause the United States to support a British refusal to close the Burma Road, according to a July 5 editorial in the *Nichi Nichi*. The paper further predicted that T. V. Soong, Chinese statesman now visiting America, would try to persuade the United States to take custody of war supplies and Chungking exports which have been accumulating in Indo-China as a result of the traffic stoppage.

Although the Japanese announced as their original excuse for closing the Indo-China route to free China, the traffic in war materials, an urgent note was received by the American Red Cross committee in Shanghai last week from representatives in Indo-China asking help in releasing large quantities of American donated medical supplies now detained in the French colony. It is further reported that no less than 6,000 tons of American goods including airplane parts, gasoline, machines, motor cars and other commodities are now stored in the colony without means of transportation.

A secondary effect of the blockage was reported this week to be the curtailment of aid from 400,000 Chinese residents of Indo-China to the Chungking government. These Chinese had been active in remitting their own donations and those of their more distant overseas compatriots. These activities have now been sent underground and many Chinese banks have closed down.

Lack of Benefit Security Brings S.M.P. Resignations

Some 38 resignations from the foreign staff of the S.M.P., among them that of Superintendent D. B. Ross, have been handed in within the past few weeks. The reason: unwillingness on the part of the S.M.C. to guarantee superannuation benefits.

Although there is no question of most of the resignations, an S.M.C. spokesman denied to the *Shanghai Evening Post and Mercury* which published the story July 6, any official knowledge of the matter. Besides the wholesale resignations from the police force there is reportedly much discontent among staffs of the Public Works, Public Health and Fire Brigades. The resignation of another 100 S.M.C. employees before the end of the year has been predicted unless the present situation is corrected.

Under the S.M.C. system employees pay in a per centage of their salaries to the superannuation fund. This is matched by an S.M.C. sum of twice the amount. Contrary to the French municipal system, the S.M.C. lumps superannuation funds with other public monies. The F.M.C. which keeps the two accounts quite seperate, paid out all the money due its employees early last week.

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Nippon Living Standard Drops As Food, Utilities are Cut

Every indication points to a further drastic reduction in the Japanese standard of living as militarists and parliamentary extremists steel the national will for another year of war in China and the possibility of more ambitious conquests elsewhere in the Pacific. Expenditures of the state itself will be pared to the core. It was announced from Tokyo last week that Spartan principles of economy have been adopted for the 1940/41 budget for which no new demands for appropriations will be recognized except those absolutely necessary to the execution of national policy. The budget will be debated in the near future.

Luxuries, public utilities and even food are to be curtailed on the program which will also approach totalitarian idealism with the formation of two huge semi-official cartels to handle exports and the import of raw materials for use in the manufacture of export goods, according to a *Havas* report.

Late last month the Japanese Chamber of Commerce reported that the government should take steps to dispel popular anxiety during the present pre-crop season, over the country's rice supply. The Chamber suggested fixing of rice prices and alignment of other farm produce with rice to prevent farmers from speculating. Farmers, it was declared, should eat imported rice and moreover should mix wheat and other grain in their diet; rice exchanges between prefectures should be prohibited and merchant rather than farmer organizations should gather the rice stocks. On July 6 Tokyo had its first official rice consumption check-up when government inspectors toured all public eating places to insure that rice is being used thriftily. Japanese households have been asked to cut down 10 per cent in consumption. Tokyo residents are being urged to use substitutes for rice.

On July 7 the manufacture of luxury goods with few exceptions, ceased throughout Japan. According to *Domei* the step was taken to "strengthen wartime national morale." The sale of luxury goods will be banned in Japan from October 7. It is reported that measures will be taken to preserve the craftsmanship of skilled artisans. The Ministry of Commerce and Industry plans the expenditure of Yen 5,500,000 to help owners of small workshops band into cooperative plants and switch from peacetime industries to "work of national importance." Another move towards stepping up the nation's war industry effort was the recently announced organization of a munitions industry society by 150 of the larger Japanese munitions manufacturers under the guidance of the army. One object of the society will be to establish cooperation and mutual assistance among the members.

One of the hardest blows to the nation's standard of living will be put into effect in August when restrictions will be placed on the use of electric power to factories, department stores, hotels and apartment houses in particular. This type of self-denial was first felt in Japan last February when the Tokyo and Osaka regions suffered acutely from shortage of electric power control measures which cut electric power down by 20 per cent.

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Hongkong Evacuees in Manila Cared for by R.C.

While Shanghai received enough Hongkong evacuees to fill hotels north of Soochow Creek this week, Manila cared for several thousand who arrived in refugee ships, crowded together like cattle and distinctly out of sorts after their two day passage.

The U.S. Army had charge of disembarcation of the refugees who were taken to temporary quarters at Fort McKinley where their baggage was examined by the Customs. The Red Cross, which had efficiently prepared to receive the homeless folk, opened four dormatories in Manila on July 7. There the evacuees were brought from Fort McKinley. Health conditions are reported satisfactory.

All types of ships continued to carry evacuees away from the crown colony, in what was felt to be a move to minimize the seriousness of a possible Japanese food blockade should Britain refuse a favorable answer on the closure of the Burma Road. American residents were advised by their Consul-General to leave the colony last week.

Frenchtown Accord Denied by Japanese

A denial—positive but not vigorous—that an agreement had been reached between the Japanese authorities and the authorities of the Shanghai French Concession whereby the Japanese undertook to guarantee the integrity of the Concession and not to disturb the status quo therein, was issued July 5 by a spokesman of the Japanese Embassy. No such agreement had been made, the spokesman declared.

Report that such an agreement had been arrived at appeared exclusively in the *Shanghai Evening Post* the previous day and quoted unnamed "authoritative sources." It followed closely upon an admitted agreement which gave the Japanese gendarmerie the right, in conjunction with French police, to conduct raids in the Concession in search of "anti-Japanese elements."

This latter agreement was quickly implemented on July 5 when Japanese gendarmes, accompanied by members of the French Municipal Police, conducted far-flung raids on hotels and private residences and arrested two prominent local Chinese—Hsu Yung-tsu, wealthy Chinese accountant and head of an accounting firm bearing his name, and Zee Mow-tang, millionaire Chinese manufacturer. The former was arrested at his office at 123 Avenue Eduard VII, while the latter was nabbed at his home on Route des Sieyes. They were believed to have been taken to Japanese-occupied Hongkew. Why these two men were arrested is a mystery, since neither was known to have taken any part in national or local politics, while neither appeared on the list of "traitors" whose arrest was recently ordered by the Nanking puppet government.

One of the "traitors," Tao Lao-zing, secretary of the Chinese Ratepayers' Association in the International Settlement and a resident of the French Concession, had a narrow escape from death on Monday of this week when assassins in the employ of the puppet government killed another man by mistake. The victim was Tong Zung-piao, manager of the Dah Sing Native Bank, who resided at No. 6, Lane 318, Rue Lafayette, where Mr. Tao also resides. Mistaking him for Mr. Tao as he was leaving his home at 8.15 a.m., two gunmen opened fire and killed him. Frenchtown police chased the assassins, wounded one and took him prisoner. Under questioning, the wounded gunman is said to have admitted that he was sent by a certain "headquarters" on Brenan Road in the Badlands, his mission being to kill Tao Lao-zing, who was among the 83 "traitors" whose arrest was recently ordered by the Nanking puppet government.

16 Killed in Fushun Coal Mine Explosion

Thirteen Chnese and three Japanese men were killed in an explosion in one of the pits of the Fushun collieries in Manchuria on July 3. Fifteen more workers were injured and four reported missing.

Anti-Foreign Movements Reported in Shanghai

An anti-British campaign was started in Shanghai Monday when circulars denouncing Britain and British interests in the international city were circulated among Chinese and foreign newspapers.

Signed by the "Eradicate the British League, Republic of China, Shanghai branch" the notices urged readers to "Drive the 10,000 evil British troops out of Chinese territory." The aggression of British imperialism in China during the past century was enumerated in another pamphlet and a third addressed itself directly to British troops warning them to withdraw in the shortest time possible.

Following the seizure of Japanese gendarmes in the Settlement by the U.S. Marines Sunday, a Japanese anti-American campaign was initiated in Hongkew according to the Japanese press there. Posters denouncing the United States were said to have been pasted over the area and meetings of peeved Japanese youth held.

Japanese Hold up British Ship on Wangpoo River

The s.s. Shenking, coastal steamer of the British Butterfield and Swire Company was halted by a Japanese naval patrol on the Whangpoo Tuesday July 9, upon arrival in Shanghai from Tientsin.

The Japanese alleged and later proved that the small British vessel was carrying some 1,200,000 rounds of ammunition from the French Concession in Tientsin to French forces in Shanghai. Officials of the company expressed surprize at the evident lack of coordination between Japanese authorities who in north China had permitted the British ship to sail in full knowledge of what cargo it carried and in Shanghai whimsically decided to change their minds.

According to a *Domei* report the Shenking had been twice warned to stop before finally complying with the pursuing Japanese naval vessel which had to trail it an hour. This in the eyes of the Japanese was a definite sign of attempts to obstruct Japanese naval operations.

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British Burma Road Reply Vexes Japanese

After two weeks of hedging the British Government on July 8 answered Tokyo's request that the Burma-China road be closed with a kindly but flat refusal. Japanese pique already prepared by the delay was immediately aroused and the press became breathless over the "effective and appropriate measures" which would be taken to correct the British view.

The Japanese note asking that the route be closed to munitions traffic with free China, was sent June 24 a few days after the French colonial government of Indo-China had agreed to a demand that the railroad to Yunnan stop carrying military goods. The railroad subsequently ceased operation. The demand was made shortly after Japanese forces landed west of Hongkong and cut all communication between the British colony and the interior. The British then held up their answer while women and children were evacuated from Hongkong in reply to the Japanese threat. An added precaution was taken in the colony Tuesday when, according to *Domei*, the government advised businessmen to protect their offices with sandbags.

When the British answer was received by Foreign Minister Hachiro Arita it was immediately communicated to the rest of the Japanese cabinet who took a grave view of the matter but decided that Great Britain be asked to reconsider its reply. It was admitted by the Japanese Government that no representations have been sent Moscow asking that the road through Singkiang to free China be closed.

The British reply, delay of which had been laid to the fact that the New Zealand, Australian and United States Governments were asked their views, was couched in most diplomatic terms by Ambassador Robert L. Craigie. It pointed out that since considerable quantities of Indian and Burman goods were carried over the road it would be difficult to halt the legal transit of these; besides the rainy season was due and would prevent much traffic anyway. Another question discussed by Ambassador Craigie was the withdrawal of British troops from Shanghai. It was understood that the envoy has been given wide discretionary powers to cope with this and other subjects.

Windsor Appointed Governor of Bahamas

The Duke of Windsor, until recently liaison officer between the British and French armies in France, has been appointed Governor-General of the Bahamas, West Indian British colony according to an announcement made July 9 by the Ministry of Colonies. The Duke and his dutchess, the American born Wallis Warfield, are at present in Lisbon but are expected to depart in the near future for their tropic domain where all the amenities of the French riviera coupled with those of nearby Palm Beach are available.

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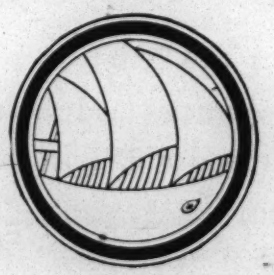
TRADE  MARK

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Mexico Holds its Bloodiest Election

The bloodiest Mexican election in a generation was held July 7 with a total of 48 deaths and more than 400 injured throughout the country according to unofficial estimates reported by the *United Press*.

The contest was run between Gen. Avilo Comacho of the Government "Revolutionary Party" and protege of President Lazaro Cardenas on the one hand and Gen. Juan Andreau Almazan, commander of the military forces of Monterey state and candidate of the opposition PRUN—Revolutionary Party of National Unification.

Although official results of the election will not be announced until August 25, both sides were proclaiming landslide victories on Monday. It was during a victory parade to the presidential palace in Mexico City's Zocalo Square on Monday that the "Almazanistas" were fired on by police. Four were reported dead and 15 injured. Elections for the House of Deputies and for part of the senate were also held Sunday.

Gen. Almazan indicated several days before the election that he would establish his own "legal congress" if the will of the people were thwarted by a crooked election. Foreign and business circles which saw in the general a more conservative candidate than his opponent, predicted he would poll between 60 and 80 per cent of the country's vote in a free election. They declared the country was weary of the sweeping reforms carried out during the past six years by the Cardenas government.

Mayor Fu Greets Return of Land Deeds with Party

Mayor Fu Siao-en of the City Government of Greater Shanghai celebrated the return by the S.M.C. Friday of 312 boxes of his municipality's land registration documents, with an official reception at the Kiangwan Civic Center, Monday afternoon, for Japanese and Chinese officials and for the local press. Japanese Consul-General Y. Miura attended. It was noted with interest that among the national flags which decorated the reception rooms, was the old Russian Czarist tricolor.

Mr. Y. T. Van, Mayor Fu's land commissioner told the press there was no intention on his government's part to seize property from any rightful owners. On the contrary all those who have bought land since 1937 will be asked to register their purchases with his office in the immediate future. Purchases which have been put into legal form by accredited lawyers during the past three years will be recognized, Mr. Van said. It was Mr. Van who as land commissioner under the Chinese governed municipality of 1937, was responsible for turning the land documents over to the F.M.C. and later the S.M.C. for protection from the invading Japanese.

Three Years of Japanese War Successes Announced

A feature of the public celebration in Japan of the third year of the China War, on July 7, was a compendium published by the Japanese military authorities giving statistics on the occupation of China. The Japanese claims are as follows:

Japanese lines in China now extend a distance of more than 2,850 miles and Japanese troops occupy an area 1,600,000 Sq. Kms. in extent—2.4 times the area of the Japanese Empire and 16 per cent of China's territory.

The Japanese have captured during military operations 1,400 field and mountain guns; 1,060 morters; 360 automatic and anti-aircraft guns; 4,000 heavy and 12,000 light machine-guns; 360,000 rifles; 900 tanks and armored cars and 30 war vessels.

During the three years the Japanese air force has shot down 396 Chinese planes in aerial combat and 168 planes on the ground have been destroyed. The Japanese estimate they have killed 1,600,000 of the enemy and place the total of killed, wounded and deserted Chinese at 3,000,000 for the period.

The Japanese claim to have lost 85,800 men killed in action. Fifty seven Japanese planes are said to have been destroyed on the Chinese front and 137 on the Manchukuo front.

Pro-Japanese Editor Assassinated in Peiping

Political assassins are believed responsible for the death July 8 of Mr. Wu Chu-chieh, chief editor of the Peiping Japanese Army organ *Sin Min Pao*. The murdered man was strolling along a street of the North China City when he was shot in the back twice. His assailants escaped.

In Shanghai it was reported July 9 that the Municipal Council had formally expressed condolences to the Nanking regime for the murder of a pro Wang Ching-wei newsman Mr. Wu Shih-shing in the International Settlement last month. The S.M.C. note declared that every measure would be taken to apprehend the guilty parties.

Japanese Trade Union Federation Disbands

The Federation of Japan Trade Unions, an organization in the forefront of the Japanese labor movement during the 30 years of its existence, was disbanded by the act of its own Central executive committee on July 8.

Since the dissolution May 7 of the National Labor Party which was actively supported by the Trade Federation, the latter had been under close government and police scrutiny. Formal dissolution of the body will be announced July 21 when a national convention will be held with the representatives of the member trade unions in attendance. After the formal dissolution, member unions will be automatically dissolved. The move is regarded as another step towards the establishment of a corporate Fascist state.

Cost of Living in Shanghai Still Rising

Despite a substantial fall in wholesale prices and improvement in the exchange rate of the Chinese dollar, the general cost of living index of Shanghai workers recorded a startling new rise in June, according to the monthly report of the Industrial Section of the Shanghai Municipal Council. The index reached 422.91 (as compared with 100 in 1936), thus advancing by 40.00 points or 10.45 percent over the May record of 382.91.

Among the group indices, a sharp increase was shown in the food group, which reached 451.74 in June as against 383.24 in May. This rise was attributed largely to the steep increase in the price of rice. First grade non-glutinous rice was quoted at the unprecedented price of $74.50 per *shih* on June 20. The average price of second grade non-glutinous rice for June was $60.39, and that of second grade Saigon rice $55.95. The former registered an increase as high as 29.48 percent and the latter 16.77 percent as compared with the May figures.

Congress Asks Immediate Independence for India

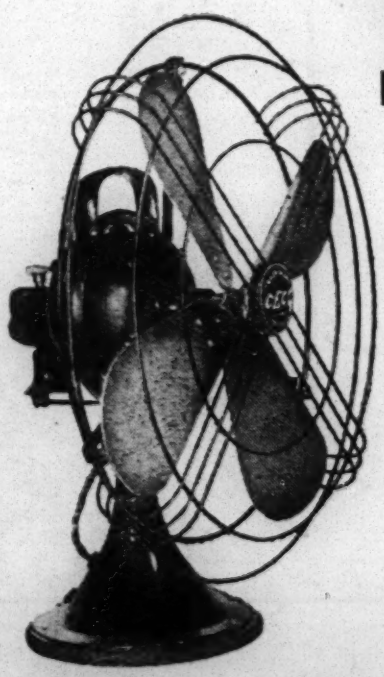
British proposals of dominion status for India were flatly rejected by the Executive Committee of the Indian National Congress when on July 8, after a five day session, the body demanded immediate and complete independence. The Committee report intimated possible action should its demands be refused and pointed to the potentialities of the world situation as a result of the French capitulation.

Mass demonstrations took place in several cities and industrial sections of India last week following the arrest of Subhas Chandra Bose, leader of the left wing Congress group, under the Defense of India regulations, it was reported by *Transocean* on July 5. The German agency added that police and troops had to be called out in several localities and in some places fired on the crowds.

On the same day the Chiefs of the Burma Shan states met to "express admiration and gratitude" to the defense forces of the Crown and to pass a resolution renewing their pledge to cooperate in the European war. They also proposed a contribution towards the cost of strengthening Burman defense forces.

Lady Mosley Follows Spouse to Prison

Lady Mosley, wife of Sir Oswald Mosley, British fascist leader, has been taken into custody by the police in England. Her husband was arrested several weeks ago, following passage of the Treachery Act. Lady Mosley is a sister of Valerie Unity Mitford, who became notorious as a result of her intimate friendship with Chancellor Hitler of Germany.



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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

June 3

Admiral Yonai, Japanese Premier, declared that Japan would recognize the Wang Ching-wei government in Nanking after the conclusion of a basic treaty with it. He denied the rumor that Japan was making an effort to have direct negotiations with Chungking.

Chou En-lai, Communist leader, arrived in Chungking yesterday. Improvement of Kuomintang-Communist relations seen.

Altogether 8,321,343 Chinese are living abroad, according to figures released by the Commission of Overseas Chinese Affairs in Chungking. This represents an increase of more than 400,000 over the 7,900,000 reported by the same commission in 1937.

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June 4

Chinese forces claimed the recapture of Tsaoyang, important city in northern Hupeh, on the night of June 2 after severe street fighting.

Chinese Government issued decree enforcing the death penalty for the production, transportation, or selling of opium for smoking purposes.

Warning Chancellor Adolf Hitler not to fall into another "Japanese trap", the Chungking **Ta Kung Pao** said that any new Japanese-German agreement would mean the addition of another enemy to Germany and would not benefit the Reich in the least.

Predicting an attack against the United States in the event of a German victory in the European war, the **New York Daily News** suggested that the United States immediately make friends with Japan in order to have an ally instead of an enemy in the Pacific.

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June 5

After a week of violent fighting, Chinese forces recaptured the strategic city of Siangyang, in the upper valley of the Han River, on June 3, according to Chinese reports. The city practically reduced to ruins following terrific Japanese aerial bombardments during the past week. Siangyang fell into Japanese hands on June 1.

Most of the bombs dropped on Chungking last month by Japanese planes were made in the United States, according to munitions expert serving at the Chinese military headquarters in Chungking.

China will win the war with Japan because time will be the deciding factor, said Dr. Hu Shih, Chinese Ambassador to Washington, in a speech delivered in California.

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June 6

Japanese troops in central Hupeh started a drive on Ichang, strategic Yangtsze port and gateway to Szechwan province. Nearly 30,000 Japanese troops reported to be pushing their way across the Han River near Siangyang and 15,000 other Japanese troops said to have crossed the lower reaches of the river near Shayang and Chienkiang. A major battle for the possession of Ichang expected to be fought shortly.

After a brief respite, Japanese planes again bombed Liangshan and the suburbs of Chungking; raids carried out by 90 Japanese bombers, in three divisions. One Japanese bomber shot down over Suining, 100 miles from Chungking. The Air Raid Relief Board for Chungking announced that reported and cheeked casualties from air raids during May totalled 727, including 435 persons killed and the rest wounded.

American and French authorities in Shanghai denied Japanese rumors that France intends to transfer control of the French Concession to the United States.

Tokyo **Nichi Nichi** reported that Italy had promised to support Japan's diplomatic policy in China and the Dutch East Indies.

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June 7

The National Government spokesman in Chungking denied reports alleging that China is seeking German mediation in the Sino-Japanese war. China's determination to continue the war of resistance until victory is achieved remains unchanged, the spokesman asserted.

Chinese troops were massing at Ichang in a determined effort to check the expected assualts of the Japanese on the city. Heavy fighting reported in progress on the west shores of the Han River, as the Japanese were pushing towards Ichang.

The University of Shanghai, American missionary institution in Shanghai, paid by the Japanese naval authorities the sum of $1,060,000 as "solatium" for damage suffered during the Sino-Japanese hostilities in Shanghai, 1937. Payment of the amount confirmed by Dr. L. C. Hylbert, secretary of the American Baptist Foreign Mission Society.

After resigning from the important post of adviser to the Cabinet, Fusanosuke Kuhara launched a bitter attack against the "weak-kneed" policies of Premier M. Yonai. Mr. Kuhara's resignation followed Admiral Yonai's rejection of his suggestion that the entire Cabinet reign. Mr. Kuhara, an influential industrialist and munitions maker, has been favoring a Fascistic single political party for Japan.

Premier Yonai issued a lengthy statement clarifying Japan's foreign policy. He said fresh instructions to Gen. Nobuyuki Abe, Japanese special envoy to the Nanking regime, to be sent shortly to enable him to open formal negotiations with Wang Ching-wei for the conclusion of a basic Wang-Japanese treaty. Yonai denied the charges that Abe has been idle in Nanking.

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June 8

The Japanese Army, driving on Ichang, has lost more 2,000 men in the past three days as a result of fierce encounters with Chinese defenders on the western shores of the Han River, according to official sources in Chungking. Fighting continued yesterday in the Shayang sector and heavy casualties were inflicted on both sides.

Shasi, important southern Hupeh river port on the northern bank of the Yangtsze, claimed occupied by the Japanese.

Shao Li-tzu, new Chinese Ambassador to the Soviet Union, arrived in Moscow yesterday.

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June 9

Under the cover of aerial bombardments, the main body of the Japanese

troops on the western banks of the Han River continued to advance on Ichang. Heavy fighting now raging between the Japanese and Chinese defenders of the city.

Fifty-four Japanese planes bomb Liangshan, northeast of Chungking.

Peace rumors circulated through Japanese sources again denied by Chinese Government spokesman in Chungking. Spokesman said "Let it be known once for all that as long as Japanese soldiers remain on Chinese soil, and the Nine-Power Treaty is not upheld, there can be no talk of peace between Japan and China."

Prof. Sha Kuo-cheng, official delegate of the Goodwill Mission of the Chinese Government to Burma, accorded warm reception upon his recent arrival in Rangoon .

Secret Anglo-Jewish Pact Said Concluded

A secret pact, providing *inter alia* for British recognition of the Jewish Agency as the government of a future "Jewish Free State" which will become a self-governing dominion within the British Empire, was signed June 22 by Prime Minister Winston Churchill and Foreign Secretary Lord Halifax for the British Government, and by Dr. Chaim Weizmann, Mosche Schertock and Samuel Rubenstein for the Executive Committee of the Jewish Agency, according to a report which appeared last week in the Norwegian newspaper *Fritt Folk*, published in Oslo.

The report, which was carried to Shanghai by the German *Transocean* agency, declared it was significant that Mr. Malcolm MacDonald, Secretary of State for the Colonies, was not a signatory for the British Government although a mandated colonial territory is involved.

The secret pact, according to the report, contains five provisions, as follows:

1. The Jewish Agency is recognized as the government of a future Jewish Free State. The Jewish Free State will be a Dominion (such as Canada and Australia).

2. The Jewish Free State shall embrace the present territory of Palestine, with the exception of the eastern part which shall be allotted to Transjordania, and in compensation for which the Free State shall receive an equal part of southern Syria (French mandate). The British Government also declares its readiness to place the Abyssinian highlands (Italian), with the exception of the territory around Lake Tana, at the disposal of the Jewish Free State for colonial settlement. Arabs in Palestine and southern Syria shall be evacuated to neighboring territories within twelve months after the conclusion of peace.

3. Creation of a Zionist Army shall be commenced immediately, but for the first five years after the conclusion of peace British forces will undertake the protection of the Jewish Free State.

4. An Anglo-Zionist holding company, guaranteed by the Bank of England, is to be founded.

5. The pact shall come into force immediately after the termination of hostilities and shall become an integral part of the peace treaty.

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Who's Who in China

Chang Chung, Government official and Kuomintang worker; born in Loching, Chekiang, 1903; studied at the Chiaotung University, Peiping, and the College of Law and Political Science, Harbin; instructor at the Central Political Institute, Nanking; Chief Secretary of the Organization Department, Central Party Headquarters; member of the Planning Committee, Central Publicity Council; Director of the International News Photo Service; Director of the

Chang Chung

張冲字淮南

Central Motion Picture Studio; Director of the Central Film Industry Department; Secretary-General of the Sixth Department, the Military Affairs Commission; Commissioner of Reconstruction, Kansu Provincial Government; during his school days in Harbin he did intelligence service for the Kuomintang, for which he was arrested and imprisoned for three years in nine different prisons in Manchuria; he did not regain his freedom until the success of the Northern Punitive Expedition when General Chiang Kai-shek bailed him out; thereafter, for ten years he devoted himself to intelligence work for the Kuomintang; by orders of the National Government, he was sent abroad on three occasions on a mission of investigating political conditions and interviewed at various times Joseph Stalin, Adolf Hitler, Benito Mussolini and Kemal Pasha; on Dec. 12, 1936 when the Sian *Coup* occurred, he was with Gen. Chiang and did what he could to help in the settlement of the incident; it was mainly through his mediation that the Communist Party was brought under the control of the National Government; after the outbreak of the Lukouchiao Incident he made great efforts to improve Sino-Soviet relations and once represented Generalissimo Chiang in Moscow; he now holds the posts of Director of the Advisory Affairs Department of the Military Affairs Commission and member of the Central Executive Committee of the Kuomintang; author of "My Trips to Russia, Germany, Italy and Turkey" and "Principles of Organization;" address: Military Affairs Commission, Chungking.

Men and Events

J. V. Crowe, manager in the Far East for Ford Motor Company, departed this week on a business trip to Manila.

*

A. M. Chapelain, Director of Posts at Shanghai, has gone to Chungking to make a report on the operation of the postal service here.

*

A son, William Robert, was born to Mr. and Mrs. George C. Bruce of the Shanghai *Evening Post and Mercury*, at the Country Hospital on Monday, July 1.

*

C. Yates McDaniel, correspondent for the Associated Press, passed through Shanghai last week enroute to his post at Hongkong, following a trip to New York. He was accompanied by Mrs. McDaniel.

*

According to a report in the daily newspapers last week, one Tsang Van was arrested and held for hearing in the First Special District Court on a charge of issuing bad checks at Sing-song houses, cabarets and gambling houses.

*

The U. S. Federal Maritime Commission at Washington, July 5, approved the sale of a cargo vessel, the San Rafael, of the Pacific and Atlantic Steamship Company of Portland, Oregon, to Wallem and Company of Shanghai, with transfer to Panamanian registry.

*

E. Mackay of the American Express Company was married on Tuesday, July 2 to Mrs. Marjorie Bramble, who recently arrived in Shanghai from her home in the United States. The ceremony was performed in the Chapel at the American School.

*

The so-called "Spanish Mission," sent to Japan several weeks ago by Gen. Franco, dictator of Spain, is now making a tour of Korea, Manchukuo, and Japanese-occupied areas in China. The group is expected to sail from Shanghai on July 25.

*

George Fitch, former secretary of the Shanghai Foreign Y. M. C. A., later chairman of the Nanking International Relief Committee, and in recent months general secretary of the Chinese Y. M. C. A. in west China, departed from Hongkong on the Clipper plane on July 5 en route to the United States.

*

The Pan Pacific Clipper plane, the Honolulu Clipper, which left Hongkong for San Francisco on May 23 carried the largest number of passengers ever carried on a trans-ocean plane, the number being 57, in addition to the crew of eleven.

*

Miss Jeannette Louise Mertsky, daughter of Mrs. E. Mertsky and the late Alfred Mertsky of Chicago, was married on Monday, July 1 to Cecil Edward Coleman, son of Mr. and Mrs. S. Coleman of London. The marriage ceremony was performed by Judge Milton J. Helmick. Mr. and Mrs. Coleman will spend their honeymoon at Baguio, Philippines.

*

Two young Catholic priests, Fr. Howard D. Trube and Fr. Francis G. Murphy, who were ordained as missionaries of the Catholic Foreign Missionary Society at Maryknoll, New York on June 16, are coming to China shortly. Fr. Trube will be stationed at Kayang, South China while Fr. Murphy will be stationed at Kweilin.

*

Norman Bradbury, previously a member of the staff of *Reuters* in Shanghai and Hongkong, who is now serving in the British Army, was awarded the Military Cross on July 3. He is in the anti-aircraft artillery.

*

Admiral Thomas C. Hart, Commander-in-Chief of the U. S. Asiatic Fleet, returned to Tsingtao after participating in the patriotic exercises of the American community at Shanghai on July 4. The USS Augusta, flagship of the fleet is now at Tsingtao.

*

Senhor Artur Tamagnini de Souza Barbosa, Governor of Macao, Portugese Colony on the South China coast near Hongkong, died in Hongkong on Wednesday, July 10. Dr. Barbosa had planned to return home by Clipper plane, via the United States, but his illness became more critical.

Widows of Japanese soldiers killed in China are being trained for positions as teachers in kindergartens, primary and high schools, depending on their educational attainments. One group consisting of 137 widows recently completed the 10-months course. The following schools now give special courses for war widows, Tokyo Women's Normal School and educational institutions in Miyagi, Gifu, Hyogo, Hiroshima, Kumamoto, Tokyo and Nara prefectures.

*

Six leading Japanese shipping companies have been ordered to immediately begin construction of 200,000 tons of oil tankers, four of which, totalling 40,000 tons, are to be constructed this year. According to the Hochi, the incentive for the plan was caused by Britain's action forbidding Norwegian tankers to operate in the Orient. The Japanese claimed this action curtailed oil imports into Japan, Siam, China and Manchukuo. According to reports in Shanghai the Japanese action was also caused by expectation of an American embargo on oil shipments to Japan.

*

Italian authorities in Shanghai this week denied a widely circulated report, allegedly originating in Rome, forbidding Italian marine and naval units in Shanghai to visit cafes, bars or other establishments operated by Jews. The original report listed several cafes and entertainment places in the Hongkew area which have been started by Jewish refugees from Germany and, according to report, have been crowded with Italian service men. The report listed only five places, including one theater, which were "in bounds" for Italian servicemen.

*

M. L. Annenberg, former operator of "Nationwide News Service," in the United States, and publisher of a newspaper in Philadelphia, was found guilty of a "conspiracy to evade income taxes," and was sentenced to four years in prison by the U. S. Federal Court in Chicago. The amount of income taxes involved was placed at U.S $1,217,296.73. Federal Judge James H. Wilkerson, who tried the case stated that seven other men and the so-called "Consensus Publishing Company," had been ordered to stand trial with Annenberg, who pleade guilty. Aside from his newspaper in Philadelphia, Annenberg operated a nationwide news service which specialized in news of race tracks and tips on race-horses.

Further evidence that France is rapidly returning to "normal," that is, the type of normality which prevails everywhere under the Nazi emblem, was indicated in a dispatch on July 7 which stated that four French journalists, "Pertinax," Madame Tabouis, M. Henri de Kerillis and M. Emile Bure, had been ordered arrested "for spreading false news." The dispatch (*Reuters*) stated, however, that the four journalists are now in England.

*

The management of N.Y.K., leading Japanese shipping company, received a serious rebuke from the Home Office of the Tokyo Government on July 6 for showing an American film entitled "Hollywood Cabaret" on the high seas before the film had been reviewed by Japanese censors. The report stated the film had been shown to passengers on the new motorship Nitta Maru, the captain's object being to "collect" foreign currency, but the Home Office contended this did not excuse the violation of the motion picture law.

*

Nelson T. Johnson, American ambassador, who had planned to proceed to Shanghai and Peitaiho for the summer, will remain in Chungking, according to report by *Kuomin* from Chungking on July 5. The Japanese papers published a report last week alleging that Ambassador Johnson had arrived in Shanghai and was conferring with the British and French Ambassadors. Mr. Johnson was in Chungking throughout Japan's latest "blitzkrieg" airbombing raids.

*

The Tokyo Home Ministry on July 2 (*Havas* report) ordered the "suspension of publication" of a large number of books and periodicals on the ground "they are not considered to be urgent needs for the population." The reason for the order, according to the report, is to conserve the paper supply in Japan, which has been seriously affected by the China War and European hostilities. The Home Ministry last year banned 4,000 publications on similar grounds, that is, scarcity of paper, but a comment that "some of those banned served only to degenerate the nation's morals," indicated that other motives also may have been responsible for the Government's action. Japanese newspapermen in Shanghai have alleged that any publication in Japan opposing governmental or military policy immediately has its supplies of paper cut off.

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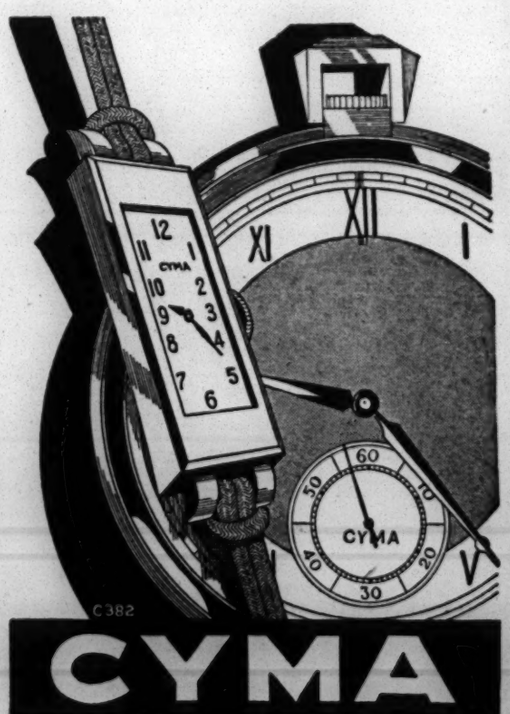

Dr. A. J. Bowen, for 30 years president of Nanking University, now retired and residing at Pasadena, California, said that Japan's invasion of China would cause the Chinese to overcome the inertia and lethargy resulting from 278 years of Manchu rule. He expressed the view that China was on the threshold of a great and new development because the Japanese invasion had caused the Chinese to unite, the war-lords had been stripped of power, western provinces were being modernized and industrialized, and the Chinese people had become self-reliant and optimistic. Dr. Bowen stated that the Japanese Army, after three years of warfare, had been unable to capture or annihilate a single Chinese army.

*

Judge Sir Allan Mossop of the British Supreme Court at Shanghai severely criticized "certain American clergymen who perform marriage ceremonies over people with whom they have no jurisdiction," in connection with a divorce action in the British Court on Wednesday, July 3. The Court granted a divorce to Kerry M. Pate, a British subject, from Mrs. Virginia Reeks of Cleveland, Ohio. The divorce will enable Mr. Pate to marry, legally under British law, an American woman to whom he already has been married by American law for five years. Judge Mossop said the American clergyman should not have performed a ceremony, marrying Mr. Pate to a second American woman, when he had not been legally divorced from the first. The first wife had obtained a divorce under American law, but it was not recognized under British law, according to the judge of the British Court.

*

The China Institute in America has initiated courses in technical and practical training of Chinese students in automotive, highway engineering, traffic management and electrical communications. The courses are financed by the China Foundation from funds in the unexpended portion of the American Boxer Indemnity. According to a bulletin issued by the New York office of the China Institute on May 23, the number of students enrolled in automotive engineering was 28, the selections having been made by T. K. Chao, director-general of highways in China in cooperation with officials of the Ford Motor Company, General Motors and Chrysler Corporation. The initial course in highway engineering attracted seven students, the work consisting of material testing, use of machine tools and work in low-cost road construction. Three students enrolled in traffic management, the training consisting of practical work with the Santa Fe Trail Trans. Company, Greyhound Lines and Scott Brothers. Instruction included passenger and freight transportation, motor traffic laws, public road marking, dispatching, examination of operators, etc. Twenty students who enrolled in electrical communications received instruction in electrical engineering, physics and allied subjects, combined with practical training with the American Telephone and Telegraph Company. Nineteen students enrolled for courses in the manufacture of electrical communications equipment, including the production of wires and cables, switch boards, vacuum tubes, transmitters and receivers. Other students placed included two in coal distillation, one in reconditioning rubber and tires, two in steel metallurgy, three in production of motor trucks, five in testing automotive machinery, two in designing chemical engineering machinery and one in locomotive repair and manufacture.

Col. Glenn Edgerton of the U. S. Army has been appointed Governor of the Panama Canal Zone.

*

The Chinese Industrial Cooperatives held an exhibition in Chungking on July 8 despite the Japanese air raid staged in the city that day. According to *Havas*, the Industrial Cooperatives have established 2,000 small industrial units throughout the country in the past two years, which have turned out goods valued at more than $5,000,000 monthly. Articles displayed at the exhibition included cotton, silk, wool linen and other textiles as well as leather products of various types. Most significant was a display of machine tools produced by small shops in various parts of the country. There also were on exhibition samples of alcohol, chemicals, medicines, canned goods, pottery and glass which attracted widespread attention and demonstrated the energy and technical ability of the Chinese under wartime necessity.

*

Charles Richardson, Jr., American attorney, was appointed temporary U. S. Marshal, by Judge Milton J. Helmick of the U. S Court for China, on Monday, July 8. Mr. Richardson will serve in place of Gordon Campbell, who resigned in order to return to the United States to practice law. Mr. Richardson will serve until the President makes a permanent appointment, and in addition to the work as Marshal will also assume some of the duties of District Attorney during the absence of Leighton Shields now on leave in the United States. Mr. Richardson, who is a graduate of Princeton, Harvard and California law school, came to Shanghai several months ago.

*

British airmail destined for England from Hongkong will be sent by planes of the China National Aviation Corporation to Rangoon by way of Kunming, according to report from Hongkong this week. The re-routing of mail was made necessary by suspension of Imperial Airmail Service between Hongkong and Bangkok and Singapore, via Hanoi, Indo-China. China National Aviation Service, operated by Sino-American interests, operates planes from Hongkong to Chungking and from Chungking to Kunming and Rangoon where connection is made with British Imperial Airways. Although not mentioned in the report, passengers to India will be carried over the same route by C.N.A.C. planes.

The engagement has been announced of Miss Ethel Mansfield, daughter of Madame Marcel Heimendinger of Shanghai, to Mark D. Levy of Kobe, son of D. M. Levy of Manchester, England. Miss Mansfield has been employed in secretarial work with *The China Weekly Review*.

*

The Chinese Bankers Association, the Native Bankers Association and the Hongkong and Shanghai Bank will serve as distribution centers for 50,000,000 aluminum 1-cent and 5-cent coins which will shortly be placed in circulation at Shanghai, according to announcement this week.

*

The British Government, July 10, announced the appointment of the Duke of Windsor as Governor and Commander-in-Chief of the Bahama Islands, located off the coast of Florida and noted as a winter resort for Americans. The German *Transocean* news service, in reporting the news of Windsor's appointment, added the information that the Bahamas "consisted of 20 inhabited and uninhabited islands with a population of 65,000, mostly negroes."

*

Dr. V. K. Wellington Koo, Chinese Ambassador to France, who went to Lisbon, Portugal, two weeks ago, will shortly return to France according to report of the German news agency. No report on the subject has been issued at Chungking. Dr. Tsien Tai, Chinese Ambassador to Belgium, has departed from that country along with other foreign diplomats, following the receipt of Nazi instructions to that effect. Dr. Wunze King, Chinese Minister to Netherlands, will shortly depart from The Hague for similar reasons. The German report added that the Chinese Minister to Stockholm, Sweden, would remain there and continue to look after Chinese residents in Norway as had been the case in the past.

*

A mandate of commendation in honor of the late Fr. Vincent Lebbe (Lei Ming-yuan) was issued by the Chinese National Government at Chungking on July 10, the recommendation having been made by Dr. H. H. Kung, vice-president of the Executive Yuan. Fr. Lebbe, who was of Belgian nationality, was naturalized as a Chinese citizen and had been responsible for relief work in North China. He became ill several months ago while being detained by the Japanese Army.

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U.S. Red Cross Officials Thank Shanghai Committee

Ernest J. Swift, vice-chairman of the National Headquarters, American Red Cross, Washington, D. C., has written a letter to Major Arthur Bassett of Shanghai expressing appreciation of the American National Red Cross for the work of the American Red Cross Advisory Committee, which was engaged in relief work in Shanghai for more than two years following the outbreak of Sino-Japanese hostilities in this area.

Major Arthur Bassett

Norman H. Davis, Chairman of the Red Cross, also wrote a similar letter to Major Bassett, who was chairman of the Shanghai committee. Mr. Davis said, "I want to take this opportunity to express to you the appreciation of the American National Red Cross and myself for the splendid work your Committee has done. You have at all times discharged your responsibilities efficiently and have kept us well informed concerning your activities and the serious situation which you were called upon to meet. I hope that it is not too much to expect that the members of your committee could again quickly be called together in the event there was need for their services in administering funds for relief in China."

Mr. Swift in his letter, also addressed to Major Bassett, expressed the thanks of the Red Cross Committee for the work of the Advisory Committee in Shanghai which assisted in alloting and distributing the funds sent to China by the home organization. Mr. Swift said, "Of the many jobs which the Red Cross has done abroad, none has exceeded this one in efficiency and effectiveness, and we all know that it is largely due to your guidance and the loyalty which the members of the Committee showed to the American Red Cross and to the Chairman of the Shanghai Advisory Committee." Mr. Swift's letter also stated that while the major work had closed it was hoped the members of the Committee would be ready to resume their work in the event it became necessary to undertake a similar task.

Major and Mrs. Bassett are departing next week for the United States on vacation, which will extend to the end of the present year.

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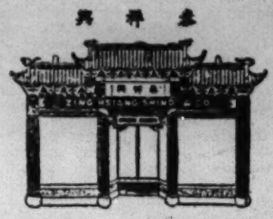
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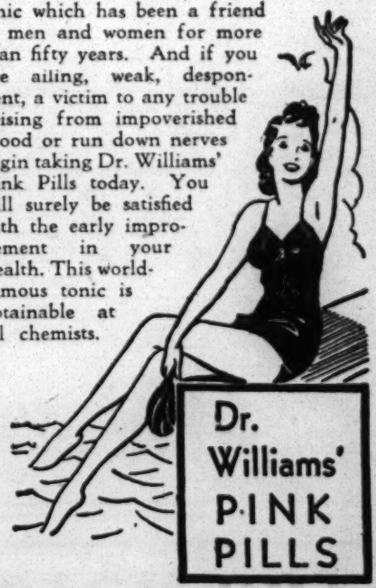
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New Books of Interest in the Far East

The Chinese Novel

THE CHINESE NOVEL—By Pearl S. Buck. London, MacMillan and Co., Ltd., 1939. Cloth, vii, 53 pages. 3/6.

OTHER GODS: AN AMERICAN LEGEND.—By Pearl S. Buck. Special authorized China edition by arrangement with John Day Co., N.Y. Shanghai, Kelly and Walsh, Ltd. 1940. Cloth, 381 pages.

This essay on the Chinese novel was delivered by Mrs. Buck as the Nobel lecture before the Swedish Academy at Stockholm, December 12, 1939. The citation which accompanied Mrs. Buck's award was: "For rich and genuine epic portrayals of Chinese peasant life and for masterpieces of biography."

In his address before the presentation of the award, Dr. Per Hallstrom of the Swedish Academy discussed six of Mrs. Buck's works, including in detail the biographies of her father and her mother, *Fighting Angel* and *The Exile*. At the time of the award Mrs. Buck was asked to lecture on a literary subject. She chose the Chinese novel, since, she said, it was the Chinese rather than the western novel which shaped her own efforts in writing.

"The novel in China," says Mrs. Buck, "was never an art and was never so considered, nor did any Chinese novelist think of himself as an artist." The result was that the novel was the peculiar product of the common people and written primarily for their amusement. The story was all important. The Chinese "have always demanded of their novels character above all else," writes Mrs. Buck.

"In China the novel has alway been more important than the novelist"—but has this not always been true of good novel writing everywhere? Therefore one may take exception to this as a distinguishing mark of the Chinese novel.

The three great Chinese novels as given by Mrs. Buck are Shui Hu Chuan, San Kuo, Hung Lou Men, translated into western languages under the titles, *Les Chevaliers Chinois* and *All Men Are Brothers, Three Kingdoms* and *Dream of the Red Chamber*, respectively.

Mrs. Buck concludes her essay with a discussion of her debt to the Chinese tradition of the novel: for the novelist the only element is human life as he finds it in himself or outside himself. The sole test of his work is whether or not his energy is producing more of that life, and the judgment depends upon the people "in the street" who read.

Other Gods

In the light of Mrs. Buck's philosophy of the novel as given in the essay above, it is interesting to turn to her recent novel of American life, *Other Gods*. This is the story of an American girl, Kit Tallant, fleeing from disappointed love. In Peking she meets Bert Holm, an attractive American mechanic who has achieved fame in mountain climbing though this is a deliberate breach of the discipline of the expedition in which he is a minor member. Kit and Bert marry and return to America. Sensitive and intelligent, Kit soon discovers that she has nothing in common with her husband: neither love nor pride nor truth lies between them.

Made into a public hero, Bert at first resents the intrusion of the public, but he soon comes to love public adulation. His position as first public hero is threatened by his own weaknesses and a public relations expert is hired by Kit's family to manoeuver favorable publicity. In the end another expedition in India is planned to reinfect the American public with Bert Holm as a hero. This time Bert shows himself selfish, treacherous and untruthful.

Mrs. Buck in her dedication of the book says men long for a deity. She says history has thrown up "by one accident or another" certain people who for a "moment or for eternity" have been made into gods. This is the story of how America made Bert into a god. But her story ignores the essentially false philosophy which underlies the honorable Kit's connivance at fooling the public. There seems to be only admiration on the part of the author that her heroine has sacrificed herself and her integrity to a false god.

And how does this novel fit in with Mrs. Buck's pronouncements regarding her mission as a writer?

"And like the Chinese novelist, I have been taught to write for these people," she writes. "If they are reading their magazines by the millions then I want my stories there rather than in magazines read only by a few." *Other Gods* appeared first in a shorter version in serial form in an American woman's magazine. It is interesting to note however, that the more unconventional opinions of Kit's sister were omitted from the version intended for "the people" in the magazine.

Mrs. Buck also says in her essay that the novel is more important than the author. Fortunately for her readers Mrs. Buck is much more important than this sentimental and unreal novel, *Other Gods*.

John Day Company and the author should be complimented for their willingness to put out an authorized edition for China.

F.M.R.

M. R. A.

M.R.A. THE RISE OF A NEW SPIRIT—By the Hon. William B. Bankhead and others. New York, M.R.A., 1939. 48 pages, illustrations, paper. U.S.10 cents.

This pamphlet carries a selection of the speeches and publicity used in the Moral Re-armament week-end, December 1-3, 1939. Radio addresses from

WHERE ARE THE CHINESE LEADERS?

All are familiar with the hegira of millions of people from the coastal regions to the western provinces, but few are familiar with the whereabouts and activities of China's leading governmental, military, commercial and professional leaders who have been forced from their normal jobs and places of residence into the service of national defense or other work in distant places.

Vast Changes Since 1936

The last edition of *Who's Who in China* was published late in 1936, only a few months before the beginning of the Japanese invasion. Aside from a comparatively small number of business and professional men who were not directly affected by the conflict, almost every one else was drawn into the maelstrom. Three classes of public men and women have been greatly affected by the struggle—officials, military men and teachers.

SUPPLEMENT TO WHO'S WHO IN CHINA

This book, often described as the "most useful book in China," has been published biennually for the past twenty years. But it has been found difficult to republish the complete edition under prevailing conditions. Therefore, we have done the next best thing—published a supplement—containing the names, biographies and pictures of some 300 leaders, most of whom are involved in some phase of the war—in the Provincial Governments, the Cabinet or Yuans at Chungking, Diplomatic and Consular Services, Military Service, Party Work or Professional and Business Activities. There also are a considerable number of women in the book.

For those who have a copy of the last standard edition, the Supplement will bring the entire book up-to-date. For those who do not possess a copy of the last (1936) edition, we still have a limited number of copies which will be sold to those sending in their orders at once.

Price of the Supplement, including postage	$ 4.00
Price of Supplement and 1936 Edition	12.00
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THE CHINA WEEKLY REVIEW

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In the United States Court for China

In the Matter of the Estate of FREDERICK ROGERS GRAVES, Deceased.	Cause No. 4492 Estate No. 2371 Filed at Shanghai, China, this 21 day of June, 1940. WILLIAM T. COLLINS Clerk.

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Frederick Rogers Graves, deceased, to present the same with vouchers to the undersigned on or before the 30th day of December, 1940, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

M. P. WALKER

Treasurer, American Church Mission, 1305 Yu Yuen Road, Shanghai.

Collector under Letters Ad Colligendum.

In the United States Court for China

In the Matter of the Estate of FREDERICK ROGERS GRAVES, Deceased.	Cause No. 4492 Estate No. 2371 Filed at Shanghai, China, this 21st day of June, 1940. WILLIAM T. COLLINS Clerk.

NOTICE OF HEARING

Pursuant to an order herein made notice is hereby given to all persons interested that the petition of M. P. Walker, Treasurer of the American Church Mission, for probate of the instrument purporting to be the Last Will and Testament of Frederick Rogers Graves, deceased, will be heard on Wednesday, September 4th, 1940, at 10 in the forenoon in the Court Room of the United States Court for China at Shanghai.

WILLIAM T. COLLINS
Clerk

United States Court for China.

such people as Secretary of War Woodring, U.S.A., the Rt. Hon. the Earl of Athlone, the widow of Thomas Edison and Rear Admiral Byrd show the widespread appeal of this movement for moral and spiritual rebuilding not only within personal relationships, but in national and international relations. Dr. Frank N.B. Buchman, the organizer of M.R.A. gives a comprehensive explanation of the movement in his address *A World Philosophy Adequate for World Crisis*, which is included in this pamphlet.

Mission Work

WHO MAKETH THE CLOUDS HIS CHARIOT—Report for the Year Ending December 31, 1939 of the China Bible House of the British and Foreign Bible Society, American Bible Society.

This report marks the 127th year of Bible Society work in China and the third year of the united work of the British and Foreign Bible Society and the American Bible Society through its single central organization, the China Bible House. The report takes up individually the work of the sub-agencies in Kalgan, Peiping and Tientsin, Tsinan, Hankow, Chengtu, Chungking, Kunming, Canton and Hongkong.

The work of translating the Bible into Chinese commenced with Robert Morrison who came to China in 1807; the New Testament in Chinese was published in 1814 and the whole Bible in 1823. Today in the China agency there are the following versions: Wenli, three versions; kuoyü, four versions; fourteen Chinese dialects; twelve versions of tribal dialects; twelve other language used in this area; and Braille editions in three forms.

War Economy

WAR-TIME ECONOMICS: WITH SPECIAL REFERENCE TO AUSTRALIA.—By E. Ronald Walker, M.A. Ph.D. Professor of Economics in the University of Tasmania. Melbourne University Press, 1939. Cloth, 174 pages, index. 5/.

The average citizen is well aware that war-time economy is vastly different from that which obtains in peacetime. Moreover he is aware that the problem of adjusting the economy of a democracy to war conditions is more difficult than a like adjustment in a dictatorship. It is therefore valuable to see an economic analysis of this type put forward so quickly after a war has developed. The general principles of war economics as discussed by Professor Walker take up such subjects as "Organizing Real Resources," "Price Fixing and Profit Control," "War Finance and Problems of Government."

It is interesting to observe how frequently lessons have been deduced from German procedures. Although this book is written with special reference to Australia, a country withdrawn from the present scene of conflicts and a country whose natural resources and industries are somewhat limited, there are fundamental principles which will bear study and a more general application.

F.M.R.

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